

# THE Japan Weekly Mail.

A POLITICAL, COMMERCIAL, AND LITERARY JOURNAL.

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## TO SUBSCRIBERS.

SUBSCRIBERS at a distance whose period of subscription may have elapsed, are informed that their papers will be addressed and charged to them *until countermanded*. This rule has been found necessary in order to avoid the inconvenience of an abrupt stoppage of the paper which might result from an omission to renew.

It is requested that notice of the intention to discontinue a subscription be so given as to reach Yokohama *before* the date of its effluxion.

## NOTICE.

ON and after the 1st of July, Notices of Births, Marriages and Deaths will be charged \$1 each insertion.

Such Notices cannot be inserted in this journal unless endorsed with the name and address of the person by whom they are sent.

Yokohama, 25th June, 1874.

## BIRTH.

On 13th October, at No. 2, Bluff, the wife of A. J. WILKIN, of a daughter.

## Notes of the Week.

THE Steamers *Marinel* and *Yantai* have been sold to the Government for \$117,000 each. The *Nanzing* is also under offer, and has left on a trial trip.

WE publish elsewhere to-day a very curious and interesting document drawn up by certain Japanese merchants who have come forward to assist the silk-worms' egg dealers in their present emergency. We may mention that it only came into our hands to-day, or we should have noticed it in the body of the article which treats of the question under discussion. There is an old English proverb which says that "an ounce of mother-wit is worth a pound of doctor," and never was it better illustrated than by the contrast between the action of these Japanese and the rapid quackery of their foreign adversaries, who, with the words "political economy" and "protection" in their mouths, show that they know nothing of the science they invoke, or the true meaning of the word they bandy about with a readiness and ignorance which would qualify them for stump-orators. The misfortune is that the action of these sensible and spirited men is a little too late. But if the foreigners who have been so active in trying to put us and the Japanese right on this question have any idea of the figure they now cut, they may have learned a lesson not without value to them for the rest of their lives.

THE translation, published elsewhere, entitled "Placard by all the Scholars and People in Formosa" is both curious and interesting. It is full of that windy bombast which we used to think exclusively Asiatic, but which riper experience has taught us is to be found in rich veins over many parts of the western world as well. It is chiefly significant, however, as showing that there is a considerable amount of race-hostility between the Chinese and Japanese, and that, in the event of war, the latter will have the people of Formosa against them, a circumstance which will add very materially to their difficulties, as the Chinese train-bands, though bad regulars, are good *guerillas*. The allusion to Japanese rebels is not very clear, but may refer to the insurrectionists of Saga who were subsequently enrolled among troops sent to Formosa. The passage relat-

ing to an alleged outrage on a woman was explained in a letter which appeared in our Daily issue of Wednesday last.

AMONG our translations from the Japanese published to-day will be found one treating the subject of the establishment of a Deliberative Assembly. It is but loosely reasoned, and handles the subject in a manner more speculative than practical. It is not thus that people who *feel* the want of representative institutions argue.

IN view of the necessary ratification of the Treaties of Yedo and Tientsin made by Peru with the Governments of Japan and China respectively in the years 1872 and 1873, the Peruvian Government has decided upon the establishment, at least for the present, of a permanent Legation in the East, to which Mr. J. F. Elmore has been appointed as *Chargé d'Affaires*. Mr. Elmore, it will be remembered, was attached to Captain Garcia's late Mission as Secretary of Legation.

WE would hint to those entrusted with the regulation of matters of ceremonial in this country that it is quite unusual among the Western nations to fire salutes on the departure of their Ministers for foreign countries. The Minister accredited to England went off by the French mail on Tuesday last, and, to every body's astonishment, the fort began blazing away in almost royal style. No European nation would dream of doing this. A Minister is not entitled to these honours until he is *en fonction*, and honours bestowed under inappropriate circumstances give rise to ridicule; which is not well.

OWING to the length to which the evidence in the case of Davison & Co. v. the Oriental Bank has extended, we have been forced to exclude from our present issue matter which belonged to the record of this week, but the publication of which must now be deferred until next Saturday.

(From the Japan Mail & Daily Advertiser.)

It was very currently reported yesterday that the Government had received telegrams from China holding out hopes that war would be avoided. But it may be doubted whether there are better grounds for these reports than for those of a similar or contrary nature which have so often preceded them.

THE first meeting of this season of the Asiatic Society was held on Wednesday evening in the Grand Hotel and was very fully attended. The papers read were, "On Useful Minerals and the Metallurgy of the Japanese" by Dr. Geerts of Nagasaki; and "Observations on the Bay of Sendai by Capt. St. John of H. M. S. *Sylvia*."

THE following letter has been addressed by Dr. Dalliston to Signor Chiarini:

YOKOHAMA, Gen. Hospital, Oct. 14th, 1874.

MY DEAR SIR,

On behalf of the patients in the General Hospital, and others interested in that institution, I beg leave to thank you and your talented company for the exceedingly welcome aid and generous effort you have made in their favour, and no less to the community for their very spirited answer. I trust that I do not take too great a liberty with yourself and the community of Yokohama, if I suggest that you should, before your departure hence, arrange a *personal benefit*—which, from

all I can gather, would be as great a success as you deserve, and as your efforts in our behalf were rewarded with.

I have the honour to be,

My dear Sir,

Yours very faithfully,

J. J. B. DALLISTON,

Surgeon, Gen. Hospital.

To Mons. G. CHIARINI.

THE *Gazette* publishes the following last statement made to his Commanding Officer, Captain Douglas by Mr. Yeo, Gun-nery Instructor, in the service of the Japanese Government. The assailant will, we learn, receive due punishment.

At about 10.40 p.m., hearing a cry of a female in distress, outside the Quarters, I went out to see the cause of it. On arriving there, I saw three or four Japanese seamen and two *yakutins*. One of the *yakutins* informed me that the noise was occasioned by a man and his wife quarrelling. One of the seamen then asked me if I were going to Shimabara; I told him to hold his tongue and go away, he then went away a short distance. I then turned and proceeded in the direction of my Quarters, but hearing footsteps behind me, I turned round and saw the seaman who had accosted me, taking what I thought to be his boatswain's whistle off his neck (as he had imitated me teaching the Japanese seamen to blow it); but it must have been his knife. He ran at me, caught me by the legs, and cut me on the left leg. I struck him in the face. He ran at me again, and cut me on the right leg. I then knocked him down and returned to my quarters, my legs bleeding profusely. The man can be easily identified by the marks of my blows on his face.

Among the passengers who arrived yesterday by the Shanghai steamer, we observe the name of Major Kinder, the Director of the Mint at Osaka. It is understood that changes of importance are contemplated in this establishment, and that Major Kinder has resigned the post he has held during the past five years.

On Saturday morning last the S. S. *China* left her anchorage bound on a pleasure trip down the Bay, about 150 ladies and gentlemen having availed themselves of the invitations issued by the P. M. S. Company. Amongst the company present we observed Mr Okuma, Sir Harry Parkes, Mr Bingham, General Williams, General Capron, Captain Leprés, Captain Livonius, &c., &c. The Band of the Russian corvette *Ascold* was present and played during the day. At 12 o'clock the guests sat down to an excellent cold luncheon, to which as each seemed to bring the best of all sauces, a good appetite, heightened by the sea air, ample justice was rendered. The repast finished, every one seemed in better cue to enjoy the beauties of the day, and the afternoon passed quickly in pleasant conversation, music and dancing, two of the ladies adding specially to the enjoyment by playing and singing in the Social Hall. The weather was everything that could be desired, and as there was scarcely a ripple to disturb the smoothness of the water, no one experienced any of those unpleasant qualms which so often attend similar excursions. At half-past 6 o'clock an excellent dinner was served and the efforts of the cook again met with full appreciation. At its close, General Williams proposed the health of the Officers of the P.M.S.S. Company, which was drunk with applause. Upon returning on deck it was found that the good ship was at anchor outside the shipping, and the company broke up after spending a most pleasant and enjoyable day. During the afternoon a photograph of the visitors who were present was taken by Mr. Woollet, which will doubtless form a pleasant memento of the occasion.

#### ACCIDENT ON THE RAILWAY.

AN accident, fortunately unattended with fatal results, or even serious injury to any of the sufferers by it, took place on the Railway on Sunday morning.

It appears that when the 8.15 train from Yokohama arrived at that part of line near the Shinbashi Station where the single line of rails bifurcates, in order to provide for a separate road for the up and down trains, the pointsman in charge of the points, after allowing the locomotive to pass without changing the line of road, suddenly did so as the carriage immediately behind the engine crossed the points. The effect of this

was to throw the engine and some of the carriages off the rails. The coupling irons, holding firmly, it was some little time before the locomotive became detached from the carriages, and the whole train ran on some little distance, when the locomotive upset, falling at right angles across the two lines of rails, and the carriages immediately following were suddenly brought to a standstill with a severe shock and much damage to them. The stoker received an injury to his leg and the two firemen were also hurt; but none of the passengers were seriously injured, so far as could be ascertained at the time, as they all left the station without the need of assistance. The accident would, in all probability, have had much more serious consequences but for the fact that the carriage first after the locomotive was filled with bale goods, and acted as a powerful buffer between the engine and the other carriages. The rails for some distance along the line were torn up and much twisted, and the damage done is considerable. The traffic from the Shinbashi Station was stopped during the day, the trains running from and to Shinagawa only, and this at double the ordinary intervals—a course necessitated by the fact that all the spare carriages are kept at the carriage depot at Yedo, and, the line being blocked, they could not be made available for the day's traffic. The locomotive was lifted by screw-jacks during the day from the position in which it had fallen, and the line was to be cleared and repaired in order that to-day's traffic might be resumed as usual.

The confusion among the third class carriage passengers was very great, as might be expected from the construction of the carriages which have only one door. In case of accidents this increases the inevitable alarm, and leaves the passengers longer in a state of confusion and danger. The attention of the authorities might be usefully directed to this subject.

The Shinagawa Station, under the unusual pressure put upon it, was the scene of extraordinary activity, during the day crowds of *jirikishas* having assembled there both to bring passengers and carry them away.

WE have been requested to correct a slight inaccuracy in our report of the accident which occurred on the Railway on Sunday morning last. The running of only half the usual number of trains during the day after the accident was owing to the want of greater shunting facilities at Shinagawa, and not to the absence of available rolling stock at Yokohama. We are also informed that the third-class carriages have four doors, not one only as stated yesterday. Our impression to the contrary may have arisen from the fact that these four are not all used or generally made available for the entrance and exit of the passengers.

ANOTHER of the excellent series of entertainments, well designed to render the Temperance Hall an attractive resort, was held on Thursday evening. The songs and readings were given with good spirit and intention and met with deserved approbation, amply evidenced by the vigorous and often-repeated applause of the large audience present.

THE case of Liebermann against Mitsui's Bank was brought to a conclusion yesterday with Mr. Ness' address, summarising the leading points of the case. It is understood that judgment will be given in a few days.

IN H.B.M. Provincial Court yesterday, Anderson a fireman of the S.S. *Vancouver*, was fined \$5 and costs for drunkenness and committing an assault upon a Japanese Police Constable.

LETTERS of an unofficial character which arrived yesterday from Pekin represent the military forces of the Chinese in the lowest state of disorganization and demoralization, so much so that the inference is unhesitatingly drawn that, even if she would, China could not fight Japan on the Formosa Question. Not the less has the conduct of Japan aroused deep indignation among all classes in China.

ATTENTION was drawn some time ago in the columns of the *Japan Weekly Mail* to the ruinous condition into which the graves at Taku of the Officers and men who fell in the late

China war had been allowed to fall. We have the satisfaction of hearing that the attention of the British Minister at Peking was drawn to the question, and that the Government has made a grant towards the expenses of the necessary repairs.

THE *Celestial Empire* states that the presence of General Le Gendre in Peking complicates the difficulties of the situation,

A SUBSCRIPTION list has been circulated in Shanghai inviting contributions in aid of the sufferers at Macao by the late serious typhoon.

IT is stated that Li Hung Chang has determined to open up the vast mineral resources of the province of Chihli. Mr. James Henderson, of Tientsin, will shortly proceed to England to obtain professional assistance and make other arrangements with this view.

Mr. J. F. Elmore who since the departure of Capt. Garcia has been the accredited Chargé d'Affaires of the Peruvian Government in Japan and China may be expected by the next English Mail Steamer.

THERE is talk about reviving the Foochow arsenal, but this is at present in abeyance. The Formosan affair seems to have pricked some of the native magnates into vigour, and they have started telegraphs, drilling of troops and other unusual things. Mr. J. P. McMahon has been engaged as military officer and drill-inspector, and is at work with five hundred of the raw material, licking them into shape. The telegraph which now works from the upper settlement to the anchorage, is of course, only the first step to farther developments. —*Celestial Empire*.

#### SHIPMENTS OF TEA.

Per S.S. *China* for San Francisco.

From	S. F.	N. Y.	Chic.	Mon.	Que.	Total.
Shanghai .....	1,269	1,362	—	—	—	2,631
Hio-go .....	1,080	—	289	533	320	2,182
Yokohama .....	6,410	5,720	370	578	—	13,078
Hongkong .....	650	—	—	—	—	650
	9,409	7,082	609	1,121	320	18,541

#### SHIPPERS OF SILK.

Per M. M. Steamer *Menzaleh*, despatched October 13th:—  
Marseilles. London.

S. F. Japonaise ..	.....	63	—
Hecht Lillenthal & Co.....	.....	223	—
Bresciani .....	.....	15	—
Noyer .....	.....	10	—
Wilkin & Robison .....	.....	—	5
Reiss & Co. ....	.....	—	41
Strachan & Thomas .....	.....	—	16
Sundries .....	.....	86	259
		397	321
Total .....		718	bales.

#### IMPERIAL GOVERNMENT RAILWAYS.

YOKOHAMA STATION.

13th October, 1874.

Statement of Traffic Receipts for the week ending Sunday, 11th October, 1874.

Passengers.....	32,010.	Amount.....	\$7,904.22
Goods and Parcels.....			832.24

Total.....\$8,736.46

Average per mile per week \$485.36.

Miles Open 18.

Corresponding week in 1873.

Passengers.....	30,256.	Amount.....	\$8,786.41
Goods and Parcels .....			637.28

Total .....

KOBE AND OSAKA STATION.

Statement of Passenger Traffic for the week ending 4th October, 1874.

Passengers....	18,693½	Amount.. Yen	4,350.145
Goods, Parcels, &c.....			106.482

Total..... Yen 4,456.627

#### THE MINT.

THERE is but one point of view from which the establishment and maintenance of the Mint can for a moment be considered by any public writer on Japanese affairs, viz, its usefulness to the country. That the question should be mixed up with vulgar and obsequious adulation of any Corporation, with personal respect for a public officer, or with any private motive or feeling whatsoever, is not to be heard of; and though with no wonder, it is with great regret that we have seen such feelings and motives animating the criticisms which have already appeared on the subject. The disgust—it amounts to nothing less—with which the public has viewed this crawling debasement, is the just and natural punishment due to and bestowed on a meanness which has no parallel but in the impudence of its declarations of independence. Even now, the morals of Fleet Street would pass without remark had their exhibitors been less in the pulpit of late. The “flaming red taffeta” could be borne; but it becomes intolerable when a surplice is thrown over it.

In approaching the consideration of this question, then, it may be well to ask first, what formerly was, and what now is, the financial condition of this country, so far, at least, as foreigners can estimate it? We shall attempt to answer this question, and as briefly as possible.

Some fifteen years back Japan possessed a store of the precious metals, which, whether larger or smaller, was sufficient as a medium of exchange for the transaction of its trade, which was almost exclusively internal, and for such purposes of art and ornamentation as the wealth, fancy and genius of her people demanded or suggested. There was also in circulation a large quantity of very inferior coined or cast metal used by the people in the small transactions of daily life, and a small amount of paper-money, current only in the daimiate in which it was issued. The coinage had all the faults which a coinage is capable of combining. It was rude; its value rested upon a wildly fictitious value given to it by the stamp of the Government; and, as it has been debased a dozen times, it was liable to such further debasement as the necessities of the State might at any moment arbitrarily dictate. But directly Japan was opened to foreign trade, a readjustment of values throughout the country at once commenced, and this first attacked and affected the precious metals. After a few years this tendency to re-adjustment attacked the moral forces of the Empire, as it had previously exhibited itself among the material forces, and produced the Revolution of 1868, among the consequences of which was a great expenditure of money, the issue of paper to support this expenditure, and the displacement of the precious metals, then rendered superfluous, to about the extent of the paper issues. Much of this metal was exported, in obedience to that law under which the foreign trade of a country may remain unmoved, while its exchanges vary,—a law fully illustrated in this country by the phenomenon of which we have just spoken.

When order was restored, the country was found to possess an inconvertible paper currency which had fallen greatly in value, in which nearly the whole of its internal business was transacted, and which was only raised to and supported at par by the despotic fiat of the Government. It was rightly thought that this was a very unsound basis for the whole commercial fabric of the country to rest upon, and with the view of gradually substituting one of a more solid nature, the Mint was erected. It has been in existence about four years, and has done a great deal of work which has not only earned the approval of those who have come daily into contact with the coins



manufactured there, but that of the highest authorities in Europe. Yet the coins it produces are but yet insufficiently known in the country; they are not yet in general circulation; they are not the unit of account in the open ports, and their chief destination latterly has been the melting-pot, into which they have passed almost direct from the hands of the Government, without a trace of work done in facilitating the transactions of commerce. How is this?

The answer is diverse. In the first place, the more valuable coins co-exist side by side with an inconvertible currency, floating buoyantly at par, and even commanding a premium upon gold. At this moment, a merchant, having occasion to remit twenty thousand *yen* for silk bought in the interior and sold here, sends the money up in paper. If he sends gold, he loses from one to two per cent on it. The paper money is more portable, more easily handled and carried about, and hence the premium it commands.

There are three remedies for this disease: one, of altogether impossible application at the present moment; and the other two only of very gradual application. The first is a conversion of the present currency into a convertible one. The second is the gradual withdrawal from circulation, as the condition of the Treasury admits of it, of portions of the paper issues. The third is the increase of the exports of the country, to such an extent that the balance of trade turns in its favour, and the flow of the precious metals sets steadily in again. It must not be supposed that we imagine that all or any of this can be done by a stroke, or ten strokes, of the pen. But, that it can be done gradually, we have no doubt whatever, and our more attentive readers will remember that we have constantly drawn attention to this subject. Yet, on this part of the question, the gravest misapprehension exists even in the minds of intelligent men otherwise well-informed upon matters connected with the economy of this country.

The Mint Returns show that during the years 1871, '72 and '73 the total value of coin struck at the Mint was as follows.

Gold (value).....	\$39,651,595
Silver „ .....	\$10,213,598
Total.....	\$49,865,193

The percentage of this coin which has been exported is extremely small, and the remainder has, of course, either been absorbed by the country, or remains in the Treasury as the Cash Balance of the Government, to which we have so often referred, and the maintenance of which at about its present level is of so much importance as a basis for the paper currency. Can any cry be more idle than that which represents the coinage as flowing away from Japan as fast it is struck?

In spite of the objections often urged against the course—many of them objections of undoubted weight—we shall not cease to regret that advantage was not taken of the establishment of the Mint to produce a dollar which would have competed with the Mexican in the markets of China and the Straits settlements. Had a silver standard been adopted and retained, and this course pursued, we should have had the Japanese dollar made the coin of account in the open ports of Japan, and a demand for it from other quarters which would have left behind it a considerable benefit to the country. Whether the success which has attended the coining of the American Trade Dollar will tempt the Japanese to a rivalry with this coin, remains to be seen; but this success seems to confirm the soundness of the views of those who thought that Japan

had a fine field for the circulation of her metallic currency, and who saw both the direct and indirect advantages which would result from the working of it. That the Mint has done for the country all that was expected from it, may be reasonably doubted. Still it has done much, and must yet do much more, as the conditions under which alone it can effect the ends in view of which it was established become more favourable. It has certainly in some measure, and so far as the circulation of its coin was compatible with an inconvertible paper currency, rescued the country from the grievous and intolerable perplexity arising from the circulation of a debased and varying metallic currency: and in view of this advantage alone, which is in itself a step from barbarism towards civilisation, its establishment has been amply justified.

It now remains to be seen what will be the effect of the changes lately announced. The severance of its connection with the Oriental Bank is a measure of an organic nature, and the retirement of Major KINER from the Directorship deprives the Government of services the value of which is best attested by the estimation in which its coin is held. But it is idle to imagine that the work to which the Mint is now limited, viz, the providing of a currency for the domestic wants of this country, depends upon these two conditions. European officers of character and ability are to be retained in the establishment, and the forfeiture of their reputation would be the instant penalty for any departure of the coin from its standard of weight and purity. We shall not disguise our regret at the changes which have been made, nor our conviction that they will act prejudicially to the reputation of the coin issued by this Government. The Oriental Bank may experience a legitimate satisfaction in having presided at the birth, watched over the early growth, and so far guarded the maturity of the Institution; while Major KINER may experience equal satisfaction in the consciousness that owing to his energy and character it occupies a position which may be an equal source of legitimate pride to Japan and to himself. But it must be sufficient for us, writing very much in ignorance of the causes which have induced the Government to make these changes, to hope that the care which has been exercised in bringing the Mint to its present position will undergo no future relaxation.

#### THE BURNING OF THE SILK-WORM'S-EGG CARDS.

WE cannot but consider it extremely flattering that the remarks and opinions which it is our privilege to place weekly before the public should be made the subjects of such lively discussion as almost invariably appears on Monday. Fuseli once exclaimed to a knot of Royal Academy critics, "Blame me as much as you will, gentlemen; but do not omit to mention me." His instinct was sound. That only which is worthless passes in silence. And certainly our gratification should be heightened by the fact that this steady flow of criticism is unpurchased by any expectation that it will be answered.

But we are always willing enough to discuss questions which really involve the interest or advancement of this country, and as we have been abundantly twitted,—in better or worse humour,—upon our criticism on the late destruction of silk-worms' egg cards, a few further words on the subject may not be out of place. We shall confine our remarks, however, to a letter in which some show of argument is brought to bear on the question, the other criticisms we have seen being wholly without value.

The writer of the letter in question bids us remember



that "the demand for the silk-worms' eggs in Italy depends on the supply available—not in Japan but at home: that when eggs are scarce in Italy they have to be bought at any price, wherever they may be found; and that, on the contrary, when there is a very small demand in Italy, not even temptingly cheap prices here will induce large purchases by *graineurs*, for no matter how cheaply they are bought here, the attendant expenses render them relatively dear in comparison with the home stock."

It is always well when one person undertakes to correct another that he should be unimpeachable in his own statements and inferences, and the value of this maxim is illustrated by the extract above quoted—a matter to which we should hardly have referred had the writer not pointedly impeached our own logic. We would submit, however, that to say "that the demand for eggs in Italy depends on the supply available—not in Japan but at home," is as absolutely illogical and inaccurate a statement as ever was made or refuted. We have heard, and are ready to admit, that, with the known exceptions, the supply of an article depends on the demand for it. But this is the first time we ever heard that the demand depended on the supply. Of course it does nothing of the kind. The demand depends on the hopes and prospects entertained in regard to the sufficiency of the supply of eggs to produce the crop of the succeeding year. If this supply is short, as it is this year, to the extent, say, of about 800,000 or 1,000,000 of cards, the quantity the *graineurs* are said to want, there is an effectual demand to this extent, and the price paid for these cards will be proportionate to the number brought to market in response to this demand. If he had said "the price in Italy" instead of the demand, he would not have been so far wrong; but to confound price with demand, and lecture another writer upon the "absurdity" of his reasoning, is equally imprudent and discourteous. As MILL says, "A beggar may desire a diamond; but his desire, however great, will have no effect on the price." So long as the supply of eggs in Italy is short of the demand, this country has a monopoly for the supply of the deficiency. Now we admit that monopoly value does not depend on any peculiar principle, but is simply a variety of the ordinary case of demand and supply. But monopoly values may be obtained by the limitation of supplies, as in the case of the Dutch East India Company, which often destroyed a portion of its spice-crops in order to obtain such a value. When the monopolist places his price above the limit which the purchaser can or will give, he pays the penalty incidental to his own cupidity; but up to a certain point he can regulate the selling price of his productions. This is peculiarly the case with articles which are only used by individuals in small quantities; which are not in themselves expensive; and which yet are much desired. If your grocer charges you a shilling instead of the customary sixpence for some spice or condiment specially required for and necessary to the preparation of an occasional dish of which you are fond, will you say to your housekeeper 'I will have no more of that dish; the flavouring of it costs a penny more than it did a month ago'? Of course you will not. You will pay the grocer his shilling and enjoy your dish as formerly. The retail grocer will pay, and will go on paying, the enhanced cost to the wholesale grocer, the wholesale grocer to the merchant, and the merchant to the grower; provided always, and of course, that there is a monopoly value attached to the article. And this is what the Dutch used to do. It is shortsighted when it produces competition and destroys your monopoly; but it is wise when you possess a mono-

poly which cannot be taken from you, and when you cannot increase your trade by cheapening your goods.

Again: Let it be assumed that the effectual demand this year was for 800,000 cards, and only 800,000 had been produced. Are our adversaries so simple as to suppose that something like the average price of years could not have been obtained for these cards? The sellers would have argued—"We know that the *graineurs* want 800,000 cards and have money available for their purchase. They have come, and must go; they can afford to give such and such a value before the card can be a source of loss; we have but to ask this price and wait, and we shall obtain it." But suppose there are 3,000,000 of cards instead of only 800,000; what then is the result? Everyone is frightened, panic sets in and the whole 800,000 are bought for a song—or a half-boo a piece. You have to deal with a large number of isolated units, who very soon realize how small the demand actually is, and who scramble for such money as they imagine they can obtain. The cards bring 20 cents a-piece or less; whereas, had there been but 800,000 they would assuredly have brought three or four dollars. Remember that this is not a case in which you can increase your business by lowering your price. The Dutch may have been wrong in destroying half their spice-crop, because a reduction of price would have placed their production within the reach of a far larger body of consumers. But it is quite otherwise in the case of the Japanese and their eggs. They can neither increase their business nor depend upon its continuance, and their clear policy is to make as much money as possible out of it while it lasts. If in any one year this involves the destruction of a million of cards, and, after such destruction, the balance produces more than the whole quantity would have produced, *plus* the cost of the actual card and the tax on it, they are perfectly right to burn the million. What would you do as the Governor of a province under these circumstances? Your people come to you and say—"We have over produced this year. There is a demand for 800,000 cards, and we can depend on the foreigners buying this quantity and paying three dollars a card for them. But we have produced 3,000,000, and the foreigners will deal with us as with frightened sheep. All of us will try to sell, we shall all be selling together and underselling each other. We shall not get ten cents a card. It will be a *saute qui peut*. Next year the foreigners may not want any; the trade is quite uncertain; and if we were to produce fifty millions of cards and sell them with a profit to ourselves at sixpence a-piece, we could not increase our trade by the sale of a single card more than there is a demand for." A man who had sense enough under these circumstances not to talk nonsense about political economy, and was above silly newspaper criticisms, would say, "Burn all but the 800,000 cards, sell them, and settle the matter of the proportions of individual loss or profit among yourselves. You will get \$2,400,000 for your cards. If you all started to sell your eggs to the foreigner you would only get 800,000 *tempos* or something very small,—be it what it may. By the order means you will get three dollars a card; I shall get my tax on the whole quantity sold; and the balance, after paying for the cost of the actual card which has been destroyed, is so much gain among you all. Take this and be thankful, and if you hear the foreigners call me a Protectionist, chink your money and laugh at them."

We should amuse our readers were we to inform them of the contents of some of the letters we have received on this subject. One correspondent tells us that these cards only cost actually about 26 cents, and the loss the dealers are suffering this year is a just retribution for their having

charged three and even four dollars for them in previous years! He follows up this logic by upbraiding us as a protectionist. He might just as logically call us an atheist or a botanist.

So far as the Japanese have made a mistake in beginning to burn their surplus after half the demand was satisfied, we have nothing to say to them, except that it is a great pity they did not come to their senses earlier. But so far as the general question is concerned, nothing can be clearer than that the views we at first expressed on it are sound; and if, after we have been dealing with questions of political economy for these last five years in the face of this community, rarely writing an article in which, in some form or another, some axiom of that too-much-abused and too-much-belauded science is not embodied, we are called protectionists, there is an end of everything.

### MEMORIAL

OF HISAJIMA-HIKOJIRO AND NINE OTHERS OF THE ISHIKAWA KEN RESPECTING THE MEETING OF THE ASSEMBLY OF LOCAL AUTHORITIES.

To Uchida, Kenrei of the Ishikawa Ken.

We beg respectfully to lay before you this paper signed by our names. When in accordance with the Emperor's summons you proceed to Yedo as representative of the people, if you will discuss this matter at the seat of Government, no greater happiness can fall to the lot of the people under your jurisdiction. We therefore humbly submit to you the two following matters for discussion.

### I.

Since the question of a Deliberative Assembly chosen by the people was mooted in January last by some of the late Sangi, the whole nation has been discussing the advantages and disadvantages of the measure. The discussion, however, turns entirely upon the time at which such an Assembly should be established whether at once, or later on, and nobody ventures to declare himself positively opposed to it. Our opinion is that except we know the origin of the doctrine that there ought to be a Deliberative Assembly chosen by the people, it would be wrong either to establish one, or not to establish one. Now what is its origin? Its origin is in the arbitrary rule of the official class. The object aimed at in the institution of European Elective Assemblies has been to check the arbitrary control of their Government.

Wherever there are collections of people, disputes must necessarily arise. For this reason taxes are paid for the use of the Government, and in return the Government provides therewith for the administration of law and for the protection of the people. These are what we call "rights" and "duties." This is the case even in China. It is said there—"Those who exert their minds cause others to labour: those who exercise their bodily strength are caused to labour by others." Now if the members of a Government are competent to discharge aright the functions devolving upon them and fulfil their duty of exerting their minds, the people will fulfil their duty of labouring with their bodies, the Government and the nation will act harmoniously together, and the establishment of a Deliberative Assembly chosen by the people is quite unnecessary.

The Government is however placed over the people, and has the right of presiding over them. On the other hand the people possess the right of freedom and the right of resisting infringements of their freedom. Hence the institution of a Deliberative Assembly the aim of which is to resist arbitrary control on the part of the Government. It is an excellent institution, but with it the people not only fulfil the duty of labouring with their bodies, but they have also to apply themselves to exert their minds. It has been rendered necessary by the obstinate adherence of the officials to arbitrary rule, but it is certain at the same time that the subject is under this system out of his proper sphere. Even at present this question of a deliberative Assembly chosen by the people has not been started by the people. All the men who maintained it are fit persons to form part of the Govern-

ment and not to be counted for long among the people. If they are reckoned among the people and a Deliberative Assembly chosen by the people is established, the persons chosen would be none other than these very Sangi. If an Assembly were formed composed of them, for a time it would be unanimous in opinion, and its power would be excessive. The end of it would be that the Government would be reconstituted by them. Nor would the results be confined to destruction of the constitution. The relation of governors and governed, of superior and inferior, would be destroyed, a state of things of which it is impossible to foresee all the evils.

What then ought to be done?

The Government should first of all take to them the previous Sangi, and having gone over the complaints of their memorial about "the manifold decrees of the Government appearing in the morning and being changed in the evening, administration being conducted in an arbitrary manner, rewards and punishments being prompted by partiality, and the channel by which the people should communicate with the Government being blocked up so that they cannot state their grievances," they should discuss with them the merits of these questions. Then the arbitrary action of officials should be made to cease, and a code of laws prepared which would unite harmoniously governors and governed. The question might then be discussed by them as to whether or not a Deliberative Assembly chosen by the people should be established and the public voice might be consulted as to the best time for doing so.

### FORMOSA.

PLACARD.

BY

"ALL THE SCHOLARS AND PEOPLE OF FORMOSA."

(Translation.)

The following is the public expression of our opinion:—

It appears to us that the whole of Formosa has been included in the map of China for more than two hundred years; and that the several Emperors of our country in their successive reigns have been moderate in inflicting punishment and sparing of taxation, as that the four classes of people have enjoyed happiness and have grown and prospered.

As to the wild aborigines behind the hills, with their dwellings perched on high or burrowed in the earth, they are far from having human feelings. Yet in the years which have gone by, the savage aborigines have turned into tame aborigines, and the tame ones have turned into citizens; so that the orderly citizens of to-day are all the wild aborigines of former times.

If the savages murder anyone, the Imperial Government has its own means of punishing them, and there is no need for strangers to come over and meddle with the matter. But the Japanese, with evil in their hearts and spying after the fertile land, first begged that a treaty might be made with them. Their secret plans having been laid, they changed their dress to that of the Western nations, to overbear us with their false appearance. Then, certain shipwrecked Lewchewans having been massacred by the Bawtan savages, they made this an excuse to send an army, and in defiance of the treaty proceeded to burn and slay at random, overwhelming other villages as well. Now, they have planted a military colony at Langkiao, they have set up camps, they have opened roads; and their intention is to continue to hold the place.

As to the verbal agreement which we formerly heard that they made in the *Tsung-Li-Yamen*, they proposed to send people to Formosa to impress upon the savages in the South that for the future they must not massacre shipwrecked mariners; and no mention was made of fighting and slaying. And yet the Japanese say that China consented that they should take on themselves to slaughter and punish. And when they made their Consul at Shanghai obtain travelling passports for Cheng-Chu-Ching and eleven other Japanese, who by these means travelled through every part of Formosa, they thereby prevented our feeling any suspicions. Afterwards again they wrote to request China to seize Chiang-teng-hsin-ping and certain other Japanese rebels, by which

means they were able to prevent our being prepared when they sent forth their marauding army. They have been false and deceitful in so many instances, that indeed they are not acknowledged as equals by the other nations with whom we have commercial intercourse.

At first even after they had come to Formosa, they, by means of honeyed word and large payments won over and deceived the neighbouring people. But in the 5th month a Japanese soldier shot dead without cause a man belonging to Chai-ch'eng and named Huang Wen-chu. And some Japanese having taken liberties with a woman, whose maiden name was Yang, the wife of Chang Wen-chên of the Hsing-shun shop in Hsin-chieh, upon her uncle Chang Saisheng remonstrating with them and stopping them, one of them had the audacity to slash him with a sword. The people of the place in indignation threw stones and called out to seize them, upon which they all ran off. A complaint was laid before the Japanese General, but he paid no attention to it. And now the Japanese with their bodies naked burst into the dwelling houses of the people and harass them more than words can tell. The inhabitants of Chai-ch'eng and Hsin-ch'eng have therefore agreed together to forbid any one to work for the Japanese army or to deal with it. To seek out all the instances of Japanese ferocity and presumption would be more work than counting the hairs of one's head. All we scholars and people of Formosa eat the fruits and tread the soil of the land. All of us who have life and breath cannot but know our rulers and love our relations. How then can we allow foreign marauders to commit these wild excesses? Each of us ought to fight with fury and make the quarrel his own. As soon as ever the army has commenced the attack, let us who form the different companies of the trainbands, seize up our weapons and drive the foe before us, with answering shouts from the four sides; and let us prevent them from carrying off the smallest fragment, and from daring to cast their eyes upon Formosa. So may we all hope to preserve ourselves and our homes, and together to defend the land of our Emperor. But if there be any who have secret connexion with the Japanese, who assist them, take their money, enter their service, or treacherously convey information to them, such men will be seized in earnest, and be handed over to the officials to be dealt with. As to any who have been already engaged and so have no help for it; if they will immediately return they will not be punished. Those who dare to act contrary to what has been agreed upon, the Gods and men will exterminate.

We offer up this common expression of our opinion.  
Taiwan, September, 1874.

#### ON THE DUTIES OF JAPANESE MINISTERS ACCREDITED TO FOREIGN COUNTRIES.

(TRANSLATION.)

"*Nichi-nichi Shimbun*," No. 824, of Oct. 14th, 1874.

What are the duties for the discharge of which a Representative is sent to a foreign country and for which he resides at the capital of that country? It is necessary for us at the present moment to devote special attention to this question and to arrive at a clear comprehension.

Although there are Representatives of several degrees in rank, there is no difference between them as regards their powers as Envoys of their Sovereign and Representatives of their Government. The most important duty in connection with which they are sent to foreign Courts is to see that the treaties of friendship concluded between their own country and that to which they are accredited are faithfully carried out, and to exert every effort to protect the rights of their fellow-countrymen.

Is there any matter of such vital importance as the accrediting of our Representatives to foreign countries? Is it because our people do not take the slightest amount of interest in the subject of our foreign relations that we have asked this question? Some say that the appointments are unnecessary, others that the Representatives are sinecurists, or that the legations are places of ease and retirement to which certain members of the Government are as it were banished. Consequently we here enumerate the important questions relating to our present foreign relations in which the welfare of the whole country is

concerned, in order to draw the attention of our countrymen to the subject, as follows:

- 1.—Revision of the Treaties.
- 2.—Causing foreigners resident in Japan to obey the laws of the Japanese Government relating to taxation.
- 3.—To subject foreigners resident in Japan to the laws of our country.
- 4.—To enable foreigners to travel in the interior of Japan.
- 5.—Permission to foreigners to trade in all part of Japan.
- 6.—Freedom to believe (any creed).
- 7.—Joint occupation of Sagalien by Japanese and Russians.
- 8.—Corean question.
- 9.—Formosan question.
- 10.—The having asked the Emperor of Russia to arbitrate in the matter of the detention at Yokohama of the Peruvian slave ship.
- 11.—The Shimonoseki indemnity.
- 12.—Japanese coasting trade.
- 13.—Allowing foreigners to acquire real property in the interior of Japan.

If a single one of these questions is not arranged to the satisfaction of our Government, the evil effects will be an affair of importance enough to affect the thirty-two millions of Japan. The persons who take on their individual shoulders these grave questions are the Representatives who are accredited to foreign countries. The office of Representative is therefore more important than that of Councillor of State, Minister or Vice-Minister. But our people think nothing of these most urgent questions. They take interest in the Formosan Question alone. What surprises us most is that officials in the discharge of important functions, with the exception of those immediately concerned in foreign affairs, are frequently ignorant of them. Is it the fault of the Government that so much carelessness exists, or the fault of the people; or is any one else responsible? We believe that it is the fault of those who do not acquaint the people with what goes on. The carelessness of the Japanese people is not the fault of the Government. In foreign countries, when matters of such importance arise, they are minutely discussed by the newspapers, who explain to the people where the right lies, and the merits of each question. This is considered the duty of the newspapers. Is it not the fault of our writers that they omit to do the same? From ignorance of the urgent nature of foreign relations arises this carelessness. Representatives are called useless sinecurists. This is a very grave matter. We shall therefore record what we have learnt, and go into the questions in their order, thus hoping to make some compensation to the Government and to the people for our negligence.

#### THE "CREMATION OF THE CARDS."

Silk-worm-egg cards form an important and very profitable article of export from our country. This year, however, producers having overstocked the market are trying to make quick sales direct to the foreign merchants, thereby greatly depreciating the price; nor is any distinction made as to quality, good and bad being sold indiscriminately. Our merchants present the appearance of a confused and panic-stricken army, and are making no provision for next year's seed. It is pitiable to see the present condition of things, and as we have been engaged in domestic and foreign trade in Yokohama, and seeing how the business is suffering, we have after mature deliberation decided to unite ourselves into one company to buy up all the cards in the market, and after selecting from them the best, sufficient for reproduction next year, we intend burning all those of medium and inferior qualities. We do this because if the cards are kept until next year they will only yield bad worms, and, if exported, will only damage the trade.

We also desire to show to our own people what a large loss has been incurred so that they may be more cautious next year, and reflect on the cause of the present distress. We will show that the following statement of cards produced, arrived in Yokohama, and already sold, is correct.

The number of blank cards sold by the Government is 2,600,000, not including thin paper ones (for *bivoltini*). Of these 180,000 were not covered with seed,



so that the actual number produced this year is 2,470,000. 600,000 of these are to be kept for home use, and the balance, 1,870,000, will find their way to Yokohama for exportation. On investigation it was found that on the 6th October 1,545,343 cards had already arrived in Yokohama, and in Tokio 150,000, making the total at both places about 1,700,000, leaving still 200,000 in the interior. Now taking the amount required for foreign markets at from 900,000 to 1,000,000 the surplus balance of 800,000 or 900,000 held in Yokohama has caused this trouble and great misfortune to the Trade. Our intention is to provide amply for next year's seed, and to grapple with the present dilemma.

Foreign dealers know generally before coming out the number of cards produced in Japan; how many are intended for home use and how many for export &c. This is necessary to their business, but this year the number of cards to be brought to Yokohama is not limited, and it is impossible, therefore, for them to ascertain the exact number. It is natural that they should wait for the lowest prices, so as to make the best bargains. Imagine ourselves in their place, and judge then what else we can expect. We intend therefore coming to the rescue in the present emergency and keeping up the price of this product of our country. On the other hand we do not wish to extort exorbitant prices from foreigners.

This is our steadfast purpose, and we desire to make it known to all interested in the card business.

We hereby agree to buy all cards offered for sale at our office, Benten Dōri, Shichōmē, Yokohama, for the reasons above stated. Payments in cash on delivery: office hours from 9 A. M. to 2 P. M.

(Signed)

FURUKAWA ICHIBEI.  
HARA ZENZABURO.  
ONO ZENZABURO.  
UYEHARA SHIROZAYEMON.  
KANEKO HEIBEI.  
SUZUKI TATSUBEI.

To the Owners of  
Silk-Worms' Eggs  
in Yokohama.

{ 9th day of 10th month,  
Seventh year of Meiji.

With reference to the above motives given for our action we beg to give notice hereby that we will buy up any lots of silk-worm egg cards brought to this port, of any quality and by mutual agreement with the owners.

In order to facilitate business we have hired to-day the house lately known as Idzukur's office in the side street of Bentendōri, Shichōmē, and we would beg all persons desirous of selling their cards to call on us there with their goods between the hours of 9 A. M. and 2 P. M. daily. Bargains will be based upon the quality of the seed and the money will be paid upon delivery.

(Signed)

FURUKAWA ICHIBEI.  
HARA ZENZABURO.  
ONO ZENZABURO.  
UYEHARA SHIROZAYEMON.  
KANEKO HEIBEI.  
SUZUKI TATSUBEI.

To the Owners of  
Silk-Worms' Eggs  
in Yokohama.

{ 9th day of 10th month,  
Seventh year of Meiji.

## Law & Police.

### H. B. M.'s PROVINCIAL COURT.

Before C. W. GOODWIN, Esq., Assistant-Judge.

DAVISON & Co. v. ORIENTAL BANK CORPORATION.

Friday, October 9th, 1874.

This was an action for a balance of account for commission and charges for storing goods &c. against the Oriental Bank Corporation by Messrs. Davison & Co., the goods in respect of which the charges were made having been hypothecated to the Bank by Mr. F. Beato.

After some delay, and several objections on the part of plaintiff's Counsel, the following jury-men were sworn:—Messrs Wm. Cheshire, W. B. Cruickshank, W. H. Smith, H. Collins, and H. J. H. Tripp.

Mr F. W. Marks appeared for the plaintiff, and Mr F. V. Dickens for the Defendants.

Mr Marks addressing the Court said:—On 29th Sept. last, as Mr John Robertson, Agent of the Oriental Bank Corporation, was

about to leave Japan, his Counsel applied that, to save delay, his evidence might be taken. To this I consented, although the hearing took place at great inconvenience to myself and possible prejudice to my case. Since this, two steamers have left for Shanghai, and Mr Robertson is still here. Possibly he has no intention of leaving, and has only made a convenience of the Court, and I protest against Mr Robertson being re-examined by the Court.

Mr F. V. Dickens explained that owing to the arrival of Mr Russell, business matters had prevented the departure of Mr Robertson for Shanghai. As to the two steamers of which Mr Marks spoke as having left, one left immediately after the arrival of Mr Russell, and the other steamer, the *Luzon*, was known to be a very slow and uncomfortable boat, which would sufficiently account for his not travelling by her. Moreover she only went to Nagasaki; this would shew that no disrespect was shewn to the Court. His departure was delayed by purely business matters.

Mr Marks stated that he may wish to call Mr Robertson as a witness, but that the defendants' counsel had no right whatever to call on him for anything more.

His Honour said that if Mr Robertson were here, the plaintiff had a perfect right to call on him to give evidence.

Mr Marks in making objection to the defendant calling on Mr Robertson for re-examination, referred to the Rules of the Court Section 85.

His Honour here referred to the publication in the *Japan Herald* of the evidence adduced at the hearing of the defendant's statement on the 1st instant, as the publication in a public newspaper of the defendant's evidence before that of the plaintiff was calculated to have a prejudicial effect on the jury.

Mr Marks called the attention of the Court to an error of \$109.29 in the particulars of the demand filed. The amount now claimed was \$16,096.32. He then read to the Court a statement setting forth the nature of his plaint at full length, shewing that it was a balance of account for Custom's duties, insurance and general charges, ranging over a term of eighteen months, on 2,000 packages of goods entrusted to plaintiff's custody. These goods were received and the money advanced on them at various times. The promissory note signed by Mr. Beato could not be produced in evidence. Several letters were alluded to, which, Mr Marks said, would shew that Mr Davison was Mr Beato's agent, but these would afterwards be produced as evidence. He submitted that his client's claims were fair and reasonable.

James Davison, sworn:—I am a merchant trading under the firm of Davison & Co., at No. 28, Water Street. I am the plaintiff in this action. I have been employed by the defendants to hold goods belonging to Mr F. Beato. It was in my knowledge that these goods were hypothecated to the Oriental Banking Corporation by Mr Beato. Since I was first employed by defendants, cash to the amount of, I should say, \$200,000 have been advanced by the Oriental Bank to Mr Beato, on goods. My impression is that it was more. I held these goods as agent of the bank, to land, store, insure, and sell. There were about 2,000 packages and a large quantity is still in my custody. [Several letters were here handed into Court and read; some enclosing bills of lading from the bank, and giving instructions to plaintiff to store and insure the goods, some of which were marked F.B. One letter from the Oriental Bank to the plaintiff, asked him to give a valuation of certain goods belonging to Mr Beato.] I fulfilled these instructions. If the documents of hypothecation were enclosed to me, I returned them to the bank.

[A copy of a letter, the original being missing, from J. Davison & Co., to the Oriental Bank was read, stating that monies for goods sold had been handed in to the bank direct, not through plaintiff, and requesting to know if this met with the approval of the bank, they at the time being agents acting in the bank's behalf. Another letter from plaintiffs to defendants, informed them that Mr Beato was removing goods without their consent, and requesting to know if this was approved of. A letter in reply to this, stated that Mr Beato had the consent of the bank to remove the goods.]

James Davison:—There were several small loans to Mr Beato before the loan of \$45,000. Up to the time of the \$45,000 loan, I was still holding the goods on behalf of the Chartered Mercantile Bank and formerly of the Hongkong and Shanghai Bank. I held the goods as an agent of the Chartered Mercantile Bank. I should say that the Oriental Banking Corporation was aware of this \$45,000 loan. Mr Robertson knew the goods had not just arrived.

A slip of paper on one of the Oriental Bank memorandum forms was handed into Court. It bore no signature. Mr Dickens objected to its being received as evidence.

A Juror suggested that Mr Robertson's evidence which had been often referred to should be read to the jury.

Examination resumed. The collateral security was sent to Bank and consisted of landed property. I was not present when the \$45,000 loan was first arranged or talked of. Mr Beato told me he had arranged the loan and asked me to go to the Bank with him to satisfy Mr Robertson that I had the goods. I then held them as custodian for the Chartered Mercantile Bank. The loan was on goods in my custody hypothecated to it. I was to hold on behalf of the O. B. C. When I went to the O. B. C. with Mr Beato the conversation was chiefly between Mr Robertson and Mr Beato. Mr Robertson asked if I had the goods and of what kind they were. I can remember nothing more. Nothing was said about charges. I would have told Mr Robertson if I had been asked. I have stored goods from time to time: there are regular charges: charges always follow the goods. I did not state our charges because it was not usual and I was not asked. I made no arrangements with Mr Beato about the rates of storage; my arrangements were only as respected commission. At first I said 2½ per cent commission; afterwards I found 2½ per cent too little and said I should charge 5 per cent on all goods except staple goods such as muslins; this was before the loan of \$45,000. I don't know if the O. B. C. knew of this arrangement. I heard nothing about charges from Mr Beato or Mr Robertson at the interview about the \$45,000 loan. Banks generally have no godowns of their own. There are bonded warehouses, the rates of which are much higher than mine. Banks generally store hypothecated goods in godowns of uninterested parties. I have been 10 years here as silk-inspector and merchant. My books contain two distinct accounts with Mr Beato: one the trading account of these goods, hypothecated to the Bank and headed "General Account", and another his private account, headed "General Trading Account." The general account deals with Mr Beato alone. When I came back in 1871 I found Mr Beato had arranged with my clerk, Mr T. Smith, to collect his rents. Mr Smith wrote to tell me of this and I made no objection. Mr Beato came out at the end of 1872 and asked if Smith might keep his private account. I was then very friendly with Mr Beato. He cannot read or write well. He cannot read or write a business letter without assistance. An account of charges was rendered to Mr Beato and to the Bank. The account of May 26th sent to Mr Beato was headed "special business," which means that it referred to goods as apart from the private account. The account of the 13th July was sent to the Bank; also that of the 15th August. When signing it I headed it "O. B. C." I looked to the Bank for these charges and to the goods: the latter were my security. I considered the Bank liable to pay the charges because it entrusted the goods to me: I had a double security. I always had confidence in the Bank—I never thought of Mr Beato in the matter. I knew that all the collateral securities were in the hands of the Bank, and that the Bank had entrusted the goods. The total charges come to \$29,181. I retained about \$13,000: the Bank never objected. I retained different sums at different times. The last account I retained (\$343 05) was on June 2nd (see account of the 13th July). Our charges are: landing, 30 cents a package; insurance ¼ per cent per month. This represents money out of pocket and a profit. Out of 20 months taking an average of eight 83 cents per package was a fair rate to charge. The goods arrived at the end of 1872. To make a detailed account would take six or eight weeks. Mr Talbot, a public accountant, assisted me. Duties represent money actually paid with interest at one per cent per month: commission is at 5 per cent.—2½ per cent on sales of muslins must be deducted. I paid the duties, otherwise the goods could not be obtained. Apart from collecting rents I have never been agent for Mr Beato. Mr Beato is a photographer and speculator, and not a merchant. I know nothing about the rate of interest. About February last I saw Mr Robertson about a loan as I was hard up at the time, and said I would give him as security certain title deeds of property. I told Mr Robertson that I had a charge upon Mr Beato's goods. Some \$25 or 30,000 I thought and he said "what! \$50,000!" I said "No \$25 to \$30,000," and he gave me the loan. I considered, so to speak, that the Bank was indebted to me, and the loan was a kind of set-off. It is not usual for the Bank to lend money on title-deeds. The meaning of "so to speak" is that you refer to a particular transaction. I also spoke about going home, and thought Mr T. Smith might take my place. I said also that I thought it would be better if Mr Beato did not interfere with the sale of goods as he was in the way. Mr Robertson agreed with me and said he had been in the sales-room, and had seen Mr Beato bully the native buyers. Mr Robertson agreed to Mr T. Smith's taking charge. There was another inter-

view about June last at the O. B. C. about the charges, at which Mr Robertson remarked: "Well! I can't pay the account which Mr Beato does not agree to." Mr Robertson said afterwards "you have the right to keep goods to cover your charges." The arbitration did not come off because the Bank would not be a party to it.

SATURDAY, OCTOBER 10TH, 1874.

Cross-examination of Mr Davison continued: As a matter of fact I did not receive the goods from Mr Beato. The bill of one lot of 8 or 13 cases was taken up by Mr Beato. I cannot point out any of the goods in the delivery orders received from Mr Beato. I cannot tell the value of the goods received from Mr Beato since November, 1872. In the form in which the question is put I cannot answer it, I don't know the value of the goods. It is very probable that I held Mr Beato's power of attorney to enable me to collect his rents and to overlook his photographic business with Mr Gouldard. Mr T. Smith collected the rents, and Davison & Co. charged a commission of 5 per cent for so doing. (A power of attorney dated November, 1870, was here put in.) I acted upon this document. (The effect of this power of attorney was here explained by Counsel not to include the photographic business in its operation.) I said, yesterday, that after Mr Beato's return I only received 1 per cent.—that is my impression. (A letter was here read dated 26th November, 1872, from Davison & Co. to F. Beato, Esq., pledging themselves to divulge none of the particulars of Mr Beato's operations, which was identified by the witness as in his hand-writing.) After Mr Beato's return I neither agreed to sell his goods on commission for 5 per cent nor to any charges. (Receipts for rent were here put in, signed by Davison & Co. as Agents for Mr Beato). Some of Mr Beato's goods were first hypothecated to the Hongkong and Shanghai Bank. I cannot say if the whole of the goods were. I cannot say the value; it might have been \$45,000. I had nothing to do with negotiating the loan; the Bank gave me the bills of lading. I cannot remember the form of hypothecation nor the reference to the charges and expenses. I identify those now produced as the usual letters of hypothecation. (A letter of hypothecation was here read by Counsel). Some of the goods were afterwards hypothecated to the C. Mercantile Bank. I deducted certain amounts from the sales to go towards paying the charges from the Hongkong and Shanghai Bank on this transfer being made. I did not hand over the whole of the proceeds of the sales. My books would show if any memo. of charges was sent in, and also if the amount to be deducted was sufficient to cover them. I do not know if my books will exhibit full particulars as to what charges were made and what kept back. The Hongkong and Shanghai Bank had no written communication from me that I can remember on this subject. I don't know if the Bank was fully covered for its advances by the proceeds of sales. My books should show this. I cannot remember the date of the transfer. I have no letter from the C. M. Bank dated November, 1873. (Promissory note for \$50,000, and form of hypothecation of the Chartered Mercantile Bank were here read and put in. These were admitted to be similar to those in use by the O. B. C. and Hongkong and Shanghai Banking Corporation.) The C. M. Bank was treated in respect to the charges on these goods in the same manner as the Hongkong and Shanghai Bank. I don't remember having sent any charges to the Chartered Mercantile Bank; the goods paid the charges. Letters passed with the Chartered Mercantile Bank in respect of these goods. I wrote out the documents for Mr Beato in transferring the goods to the O. B. C. Mr Beato made his own arrangements with the O. B. C. for the transfer to them from the Chartered Mercantile Bank. The documents were transferred to the Bank. The old delivery orders were placed in my safe. I received them from the Bank when the bills became due. I cannot remember if they came to me through Mr Beato:—for all I know Mr Beato may have had the documents in his hands. I cannot remember if the delivery orders came to me through Mr Beato.

(Ledger produced.) Mr Beato's account is headed "General trading account" and refers to the goods in question, hypothecated to the three banks. I keep no account separately headed "goods account" as distinct from personal account. The ledger shows the amounts paid to the various banks on account of proceeds of sale of goods hypothecated. I have made entries of certain sums retained by me as charges. I cannot of my own knowledge say if any entry of charges was made previous to the end of May. Some of the books exhibit special entries of the sums retained by me. I did not place these under the heading of the various banks because I considered this a matter of no importance. I don't know if I have any claim against Mr Beato: my mind is not made up on this point. I don't know that I ever considered whether I had a claim against Mr Beato. I have never demanded any charges from Mr Beato in respect of

these goods. I have offered to submit to arbitration this question of the charges against Mr Beato with the bank as guarantor. (Letter dated 2nd June 1874 addressed to Mr Beato enclosing an account for \$16,696 was here read and put in, and another dated June 3rd, informing him that the accounts had been placed in the hands of Mr Talbot). At this time Mr Robertson told me the goods were liable, (a point on which I had no doubt myself), and stated he could not pay any charges that Mr Beato did not agree to. The correspondence with Mr Beato ensued with a view of determining an account of charges to be paid by the Bank. Mr Robertson told me this at different dates: first in February. It was after my rupture with Mr Beato that he told me he could not pay me an account of charges until they should be approved by Mr Beato. This occurred, I think, about June. On the 15th July I first sent in a definite demand to the Oriental Bank Corporation. (A letter to Beato & Co dated 15th June 1874 was read in reference to the charges made by Davison & Co. proposing arbitration on certain liabilities. Another letter dated June 18th was read on the proposed arbitration of Mr Pitman. Letters dated severally June 19th, 20th, 22nd, 23rd, and 24th were also read and submitted.) I don't know an instance of a portion of the proceeds of sale being retained by the agent. Previous to the account of charges up to the 13th July I sent in no account. It was not necessary. The Bank was aware that I deducted certain sums on account of charges. I don't remember telling this to any officer of the Bank. I thought myself entitled to do so without referring to the mortgagees. Mr Beato told me on several occasions to deduct certain amounts from the sales. I presumed that this was part of his arrangement with the bank. I certainly did not, so far as I can remember, tell Mr Robertson at our interview that the goods were clear—I did not tell him this at any time, nor can I remember that Mr Beato did so. I am unwilling to give up these goods until the charges are paid. Up to the time of this rupture I had charge of Mr Beato's business, or rather that of these goods, for the Bank. I allowed Mr Beato access to a room on my premises: it was my room. Part of the goods were stored in my godown, and people came to the salesroom. They sometimes purchased from me, sometimes from Mr Englehardt and sometimes from Mr Beato. I personally sold about \$10,000 worth of goods Mr Beato sold personally, but as my assistant. I did not interfere with his doing so. The sales would probably have been larger had he not interfered. I think Mr Englehardt came in June 1873. I paid his wages up to the time of the rupture. I did not charge them to Mr Beato—not to my knowledge. I am not aware that 913 cases averaged less than \$20 each in value. (An account headed, "F. Beato's account current with Davison & Co." and "special account" made up by Mr Talbot was then read and put in; another dated 13th July 1874, a duplicate of this). Mr Talbot drew up the account as stated and I added "the Oriental Bank Corporation" to it. Previous to consulting Mr Marks. I cannot remember that I thought I had a claim against Mr Beato. I don't remember telling you that I acted as Mr Beato's agent; I may have said I had a claim against Mr Beato we talked about it. I did not mention the O. B. C. as far as I can remember. You did not tell me the charges were much too high. You told me you thought it was a question of godown charges and fire insurance. I told you I thought the goods were liable. You said you would prefer to wash your hands of the whole affair. I thought your interference strange, and said I should wish to tell my legal adviser. I don't think Mr Beato could read or write sufficiently to conduct business correspondence. He cannot carry on business without assistance. He had my assistance. I wrote many of the letters for Mr Beato at his request, commencing on the 6th January, 1873.

[The Press Copy-Book and various others were here submitted.] I told Mr Robertson the charges were against the goods. My impression was that the loan made by him was to stand against the charges. He did not tell me so. I gave the security of landed property. Mr Robertson told me after the 3rd June that he would not pay any charges upon the goods that Mr Beato did not agree to. From November 1872, to June 1874 I have never had a surplus of cash in favour of Mr Beato. The balance was always on the debit side. Mr Beato never asked for an account of the goods until just before our rupture. Mr Beato never introduced any assistant to make up the books. A Portuguese was brought in by either Mr Beato or Mr Grigor—I think Mr Grigor. Mr Grigor paid him, Mr Beato asked for his private account in presence of Mr Grigor more than once. I never made up any accounts. I told Mr Robertson I thought it better that Mr Beato should not interfere with the sales.

Re-examined by Mr Marks. What did you mean by "Received from F. Beato, Esq." (Part of heading of delivery order given by Mr Davison to the O. B. C. was read; in full effect "Received from

F. Beato the undermentioned goods for storage on account of the O. B. C. and held to their order.")

Mr Dickinson objected to this question, but was overruled by the Court, a note of the objection having been made at his request.

Mr Davison. I mean by this for the guidance of the Bank On the delivery orders sent by me to the Bank there was no notice that the goods were not to be delivered except in payment of charges. I left Yokohama in 1870, and the power of attorney was given afterwards. Mr Beato was then about to go to China. I promised not to divulge anything about Mr Beato's business. Mr B. was very suspicious. He was anxious that nothing should get abroad about his business in these goods, purely because he thought Mr Smith might divulge his business. By the words "I did not agree to sell Mr Beato's goods," I wished to express that they being mortgaged to the Bank were theirs. I only wrote the words "Agent for Mr Beato" in reference to the collection of rents. The goods paid my charges in the case of the Chartered Mercantile Bank and the Hongkong and Shanghai Bank. Where goods were transferred from the Char. Mercant. Bank to the O. B. C. sufficient had been deducted to cover charges. The goods were clear when the Oriental Bank took them over and up to that time a sum of \$4,500 had been earned in respect to charges. The deductions appear in the accounts.

By the Jury. None of the \$45,000 were used in paying charges. The \$45,000 did not include charges. The goods were received from the Hongkong and Shanghai Bank. None were sold before Mr Beato arrived. The Bank, Mr Beato and myself arranged for the sale. I told Mr. Robertson the charges were against the goods. The O. B. C. was of course aware of this arrangement (The Delivery orders were here handed in.) A list of rates was supplied to the Bank in February, 1874. It is unusual for the Bank to enquire into matters of this nature: they concern the borrower. I look primarily to the Bank for the charges.

(This terminated this day's hearing and, in compliance with the desire of the jury, His Honour postponed the trial until after the departure of the American mail.)

THURSDAY, 15TH OCTOBER, 1874.

Pending the arrival of a jurymen, Mr Dickinson moved under Rule XLIX of the Order in Council that a specified answer should be put in to the cross petition, none having been filed. The defendant had made a motion which was dismissed with costs, that the petition should be amended and dismissed; and was then allowed seven days to answer in, but had not done so. The motion had been made to obtain an order for filing one, as the practice of taking out a summons had not to his knowledge been hitherto followed in this court. He had been considerably prejudiced by the absence of an answer in conducting the defence in the case now on trial, because the answer now sought to be obtained would settle the question as to the agency or non-agency of Mr Davison with regard to Mr Beato.

Mr Marks.—That's already in Court in the other answer.

Mr Dickinson.—Not specifically.

Mr Marks consented to the hearing of the motion, and in reply asserted he had not had time to file an answer. Apart from that, under Section XLIX, the allegations in a petition were to be brief, positive, simple, and distinctly made. No one could say the petition was brief, the allegations were not separate, there was no distinction, and it was simply impossible for any pleader in the world to answer it separately and positively, the whole being a positive jumble. There was no real necessity for putting in an answer, as the result of the other case would decide this one.

Mr Dickinson retorted that this was simply an attempt to reopen the question on which the Court had already come to a decision as for the statement that the petition was unanswerable, it was set forth in the exact mode in which cases are stated in common law.

His Honour.—Well, it certainly is a very long petition, and I can't say it's very briefly stated.

Mr Dickinson.—The relations between the parties have extended over a number of years and it must necessarily be rather long; but it's nothing compared with the majority of bills for an account. It could be read in less than five minutes.

Mr Marks.—I defy any mortal to do it; and it's only asking for an account after all.

Mr Dickinson.—It is of very considerable importance to us that we should have some of the information which would be elicited by the answer.

Mr Marks.—Your Lordship will remember that in this very case defendant has put in no answer.

His Honour.—You might have asked for one, and I should have ordered it. I don't think that omitting to put in any answer should



be encouraged. I think it very reprehensible. These rules are laid down to make proceedings less expensive.

Mr Dickens.—In this case, there were peculiar reasons for not answering.

His Honour.—You ought to have answered, I have no hesitation in saying.

Mr Marks.—I wished the case to come to trial as soon as possible, but this matter is very different. The action I brought is for services rendered and my learned friend's——.

His Honour.—There's no doubt about this. This is an action of a bill in equity. It is capable of being answered, of course.

Mr Marks.—Everything is capable of being done, but I don't see what advantage would be gained by answering.

His Honour again expressed his opinion that the required answer ought to be put in; Mr Dickens asserted his client was prejudiced by its omission, and as he required it forthwith, it might be put in by next day, a task, according to Mr Marks, of absolute impossibility.

Mr Dickens offered to answer it for his learned friend, an offer declined with an expression of doubt as to the beneficial result to Mr Mark's client if the offer were accepted, and the matter wound up by an order being made for the answer to be filed within four days clear.

Mr W. H. Smith expressed a wish to put some further questions to Mr Robertson, before his departure from Japan.

After some remarks from counsel on both sides as to the evidence that might be elicited, it was agreed that Mr Robertson's examination should be limited to questions by the Jury and the Court.

W. H. Talbot, examined by Mr Marks, deposed: I am a public accountant in Yokohama, where I have resided for seven years. I am not interested in the matters in dispute; but in my professional capacity, by his instructions I made up Mr Davison's books. They are in Court. He had several transactions with Mr Beato. In his books there are two accounts with the latter.—One a "Private account" entirely separate from the other, for rents collected by Davison & Co., mess bills, and matters of a private nature—the other called Trading Account No. 2 or No. 3, which refers to goods imported by Mr Beato and transferred to the Oriental Bank Corporation for advances made by them.

Mr Marks.—What do you mean by transferred?

Witness.—He ceased to have any interest in the goods from the time they made advances. The trading account relates to these goods upon which the bank made advances from time to time. They are now held under that hypothecation. From time to time there had been deducted from the proceeds of sales very nearly sufficient to cover the cost of charges up to that time. The amount so kept back was \$5,570. With the exception of the question of fire insurance that was sufficient, if the charges had been made up to date, and a due proportion only of the fire insurance charged. \$2,000 had been paid in advance for insurance.

Mr Marks.—In your instructions from Mr Davison throughout your transactions in regard to these goods has he ever informed you or have you gathered from his conversation to whom he looked for the payment of his charge?

Mr Dickens objected. Here was a leading question put from a written-out array, every one of which had no doubt been shown to the witness, and hence it was just jogging his memory.

In answer to the Court "what were the instructions you received?" Witness said: I received no definite instructions; I simply made up the books.

Mr Marks.—Do you know to whom Mr Davison looked for payment of his charges.

Mr Dickens objected to hearsay evidence. The question was whether Mr Davison looked to the Bank or the owner of the goods for payment, and now it was sought to get Mr Talbot to say he heard Mr Davison say he looked to so and so.

His Honour, after further objection decided to allow the question and take a note of the objection.

Mr Talbot.—Very soon after taking charge of the books I pointed out to Mr Davison that there would be a very large sum of charges due on these goods. He said "It's all right; the owners are bound to pay it."

Mr Marks.—If in the absence or in the event of the death of Mr Davison you had been asked as an accountant from what appears on the books "What is the security for the payment of these charges?" or "To whom should the account be presented?" what would have been your reply? That is a question I ask you as an expert.

Mr Dickens objected. This was a question for a lawyer, not for an accountant or merchant, neither of whom were necessarily conversant with law. It was not one of fact, but one of law.

His Honour thought the question should be on whom according to the face of the books did the liability appear to rest?

Mr Dickens.—The books themselves will show, and on the face of the accounts there is nothing to show the Oriental Bank is indebted. This is merely an insidious question put to Mr Talbot to impress the Jury that Mr Talbot in examining the books under the influence of my learned friend and Mr Davison came to the conclusion the Bank ought to pay—according to his opinion.

His Honour.—The books ought to shew who is liable.

Mr Dickens.—So they do. They shew the person named. There's nobody else mentioned in the accounts. The proper question is, Is the O. B. C. charged with expenses, or charges in any part of those accounts?

The question was eventually waived, and Mr Marks asked witness. Has Davison ever informed you during your dealings with him as to any scale of charges agreed upon by him for storage and insurance of these goods with Mr Beato?

Mr Dickens objected.

Mr Marks.—Did you know of any scale of charges? A. No, there was no agreement as to any special scale of charges ever made between Mr Beato and Mr Davison. I made a point of asking this I asked Mr Davison. He said "no, make just the ordinary charges for godown rent and fire insurance." It was naturally my duty to ask him seeing a large account like this in the books, and making up the accounts it was essential I should know of any agreement if it was in existence.

Cross-Examined by Mr Dickens.—I took charge of the books about the 16th February. Two days after that I undertook to make them up as soon as possible. I was specially asked to make up this account by Mr Davison about the middle of April. I drew up the accounts now in Court. There are three, respectively dated 26th May, 13th July and 13th August. The first I headed "F. Beato, Esq., special business in account with Davison & Co." the others, are "F. Beato, Esq., in account current with Davison & Co."

The Judge.—Do I understand these accounts (in the hands of the Court) are those alluded to.

Mr Talbot.—Yes. The balance of the special business account was brought forward.

The Judge.—This account is headed O.B.C.

Mr Dickens.—I was about to draw the attention of your Honour to that very significant fact. Now what is the meaning when you put at the head of an account "A in account current with B." Suppose you as an accountant, have such a paper before you, what are supposed to be the existing relations between A and B?—A is a debtor to or a creditor of B as the case may be. The balance may be on either side.

His Honour.—It means that the relationship of debtor or creditor exists.

Mr Dickens. Yes, but the original debtorship is on the side of A. Now in this case the heading runs "F. Beato in account current with Davison & Co." The meaning on the face of that is Beato and Davison stand in the relation of debtor and creditor?

—Yes, that is the condition of the first account.

Q.—When you were instructed to draw up these accounts were you instructed to draw them up as against Mr. Beato?

—No, I was instructed to make up the account of charges on the goods.

Q.—Against whom?—I put the heading myself. I thought it was Beato's special business.

His Honour.—You were not instructed specially to make them out against Mr Beato?—No, I was instructed to make out the account of all charges on these goods, to show the money received and paid into the Bank. The first account I headed "special business;" it is an account I made up for Mr Davison. The other account I made up for Mr Marks. They form a continuation.

Mr Dickens.—Did Davison tell you before you made up the first that you were to make it up against the O. B. C.?—No, I was making it out, and he recommended that the original should be sent in to the O. B. C. at once.

Q. Why?—Because he thought there was a large sum due on the goods and they would not like to pay it all at once.

Q. Who?—The Bank. I was under the impression at that time Mr Davison might have sold a portion of the goods.

Q. Were you under the impression at that time the bank was liable?—Yes, I certainly think the Bank myself was primarily liable to answer the whole of these charges. I cannot tell you of any single instance occurring where a bank has recognized any such liability on claimed charges incurred under it of my own knowledge. I have heard of such case. The charges made on the goods extend from November 1872 to April 1874. They are included in the

present accounts. Not quite all the charges incurred up to the time of the transfer to the O. B. C. had been paid by deductions, but within \$300 or 400.

Mr Talbot's evidence was here interrupted to allow of the examination of Mr Whittall by Mr Marks.

Mr Whittall stated.—I am a partner in the firm of Jardine, Matheson & Co. carrying on business here, and am well aware of the practice by Banks of lending money on hypothecation of goods in the hands of third parties. Banks are applied to for an advance upon goods which belong to a merchant. They advance him money to a certain extent, the goods being deposited with a godown-keeper to whose custody they are supposed to be entrusted. In case the Bank wants to take delivery of these goods, it is bound to make good all charges on them due to the third party. If in such a case I were the custodian, I should look for payment of my charges to the party taking delivery—that is, to the holder of the godown order. If the goods are hypothecated he would be the person who lent the money—or the Bank—the holder of the receipt for the goods stored. There is nothing in the godown order now shewn me about charges. On receiving such a delivery order as that I would deliver goods to the Oriental Bank, but not to everybody. My action would depend upon the person's credit. If it was a person I could trust to pay my charges I would deliver them, not otherwise.

The Court.—Then the point is, you are entitled to deduct your charges before delivery?—Yes.

Q.—And if it is not a person to be trusted you get your charges first?—Yes.

Witness (to Mr Marks).—Freight is the same. Freight is payable before delivery if necessary. You hold the goods as lien on the freight as you hold the goods as a lien on the charges.

Q.—Is it not usual when a Bank sends a delivery order for them to put in "Deliver such and such goods on payment of the charges?"—It has not come to my knowledge. I have not seen it.

Q.—As a storer of goods for Banks to whom or what do you look for your charge?—I look to the person who takes delivery of them. If a Bank stores them with me I look to the Bank and to the goods as my security for charges.

To Mr Dickens.—If doing banker's business constitutes a banker I am one. I am not a banker, however, I am a merchant. I am a bank agent. I have had goods stored with me by a bank. I have had goods hypothecated with me—not here, but in China—not in many cases, and also goods in pledge and stored with me by the lender of the money;—by other parties besides banks.

Mr Dickens.—Who paid the charges on these goods—borrowers or the lenders?—In this instance, where goods were stored by a bank when they wanted to take delivery of the goods the Bank paid the charges. The borrower however had made default in payment. The Bank wanted delivery of the goods. I delivered them and received my charges. I refused to deliver them up without. The borrower gave the delivery order to the Bank, and never attempted to take delivery of the goods. I did not ask the borrower whether he had paid the loan, I imagine he hadn't, because the Bank took delivery. I look to the party who has authority to take delivery of the goods as being responsible for godown charges, if it is a merchant, for instance—as primarily liable. If I could trust a person, I might not insist on immediate payment. Supposing I received an order from a bank like that I should suppose the bank took delivery. I look on the person signing the order as responsible to me for the charges.

Mr Dickens. In this case the bank does not take delivery of the goods; but the purchaser, "Please deliver these goods to the bearer. For the Oriental Bank, Samuel Elder." If you give delivery of those goods on such an order would you understand the Bank took delivery?—Yes.

Q.—If you deliver them to me, a merchant on my own account, would you consider you didn't deliver them to me, but to somebody else, say the Bank?—If the bank endorses the order at the back like this I deliver them to the order of the bank.

Q.—But I'm not an agent of the bank. I'm a merchant trading on my own account. Do you deliver them to me or to the bank?

—I deliver them to the order of the bank—to you personally as a merchant, acting as agent for the Oriental Bank. On this order I deliver to Walsh, Hull & Co. by order of the bank.

His Honour thought it perfectly clear witness meant when a person took delivery he meant the person who gave the authority to release the goods.

Mr Dickens opined it to be perfectly clear in the other direction? If he bought goods and took delivery, it was made to him and not for the bank,

His Honour.—The real delivery of course is made to the owner to the goods. He doesn't come himself, but hands the order over to the merchant who comes and takes them.

Mr. Dickens.—If a delivery order has been indorsed over and you deliver the goods to the last indorsee, would that be a delivery to the Bank or to an immediate indorser or to the last indorser?—Witness: a delivery to the Bank. I should look on the Bank as responsible. I deliver them to its order, and have nothing to do with other indorsers. I never delivered goods on an order that has been reindorsed.

Q. Well, in this case, do you deliver to the Bank, or the servant of the Bank, or the person to whom the right of these goods has been transferred.—I deliver them to the order of the Bank.

Q. I must go on with this question till it is answered.

The Judge.—I think you take up a good deal of time.

Mr Dickens. I shall do my duty to my client in spite of all objections, from whatever quarter they may arise. I ask as a matter of fact to whom do you deliver?—I deliver to the order of the Bank.

Q.—But as a matter of fact?—To whoever the Bank sends to take delivery.

Q.—Have you any personal knowledge of any single instance in Yokohama where a Bank has been held primarily liable for charges on goods which have been seized by the Bank, because of the default of the borrower?

Mr Marks objected to this question, and it was modified to "held responsible by the keeper of the goods for charges on them before their owner—the borrower—had made default in some way?"—No, I have not. I don't know such a case.

To Mr W. H. Smith.—I have frequently landed and stored goods under Bill of Lading on account of Banks, I do not necessarily know their owner, and look on the Bank as responsible for all charges, duty, etc. When the Bank send me the delivery order for them, I look to it only for payment.

Mr John Robertson recalled, and questioned by the jury through Mr Smith.

Q.—Was this business conducted in the customary way in which business is done in Yokohama? We have heard your evidence and start from there. Was it done in the regular way?—I've always conducted my business according to my own way; not other people's way.

Q.—A merchant storing goods in Yokohama. Does he always know who are the owners of those goods?—I should say no. I will couple with that in explanation, it is not necessary that the custodian should know, if a banker asks him to store the goods. But the custodian could not fail to know the owner, when the owner himself employed him to store the goods.

Q.—To your knowledge do you know that Mr Bento employed Davison & Co to store these goods?—I had an implied knowledge because both came to me (a portion of the goods being already in Davison's godown when I took them) from the owner of the goods and the godown keeper coming together to obtain money upon them.

Q. Did you apply to Davison & Co. for a list of charges for goods stored in their godown on account of Mr Bento?—At what time?

Q. At any time?—I have no recollections of any formal application for a list of charges, except there may have been one demanded when the rupture took place. That may have been done by Mr Dickens as solicitor.

The Court.—There may have been such an application?—Not by me, your honour. I never made such an application. I never asked Davison for a list of charges in consequence of any demand of his on me or of any intention on my part of offering any payment of this. If by a side wind in course of conversation, Mr Davison may have remarked on charges I certainly have no recollection of it, or of any being demanded of me.

Q.—In February there was a list of charges sent in to Mr Thompson, son of the Bank. Can you give us any information about that? Was it given in answer to any application from the Bank? A.—It may have been for general information, I have no distinct recollection of a demand from the office.

THURSDAY, 15TH OCTOBER, 1874.

Q.—Has any case occurred in your experience in Yokohama with your Bank where a merchant has had money advanced on his goods by the Bank, stored by the third party, and has requested the Bank to pay the storer his expenses so that the name of the owner of the goods may not be known?—I don't remember a single case. Business is generally done in a straightforward way without concealment.

Q.—Did you from time to time consult with Davison & Co. about the sale of the goods?—I saw both Mr Davison and Mr Bento daily

almost. I spoke to them several times about sales and the prospect of sales.

Q.—Were you aware of the way in which Davison & Co. repaid themselves for the charges?—No, I was not aware of what way. They never declared it to me beyond an understanding which we came to at our first interview on the principle that the charges and arrangements of that sort were settled between themselves.

Q.—The mode in which this business was conducted; was it exceptional in any way to that in which Banks here generally conduct that sort of business?—I don't know what you mean by exceptional. There was nothing exceptional or inconsistent with business usages in my dealings with Mr Beato or Mr Davison. I don't answer as to general usages, but as to my usual way of doing business. By that I mean, I had money to advance on goods and a third party held them as security.

Q.—Is that the usual form of delivery order issued by the bank?—To tell you the truth I hardly remember seeing a delivery order before. You must just take them for what they're worth.

The Court.—You don't know them?—I have never seen them before, your Honour.

Q.—Never seen any delivery order?—Not these particular orders. They are not signed by me.

Q.—Are they in the usual form?—I presume they are, your Honour.

Q.—Surely you must know whether you consider these to be frauds?—They're no frauds. There's no fraud about them.

Q.—Are they such as you would approve of? If they are not they must be frauds?—Well, not exactly frauds. There may have been a mistake on the part of the man who made them out.

Q.—It's vitally important to you to know whether or not these are things you consider yourself injured by if goods are delivered on the faith of them?—They are all endorsed by Mr Elder, a gentleman in our office whom I gave these godowns in charge of. I presume he saw the goods delivered and received this money. They are all good orders. His instructions were to get money for goods delivered—or at least a satisfactory promise of money.

Q.—And you considered him responsible for getting the charges paid on these goods that were delivered?—No. He had nothing to do with charges.

Mr Talbot's cross-examination resumed by Mr Dickins.—I can show no entry of any charges in Davison & Co's books against the O. B. C. previous to the rupture. None would be made unless charges had been settled, none was made at all previous to my making up the account, only of monies received and paid the bank. The money received at the time of transfer from the Hongkong Bank to the Chartered Bank was \$18,429.83. This was from 1st December, 1872 to 28th February, 1873. On 1st March receipts were paid the Chartered Bank. From that date to (July?) August 31st the cash receipts were \$16,313. I don't think it could be \$13,776, or that I could have made a mistake against Mr Davison of \$3,000 Mr Grigor's account has been settled. I don't know if that account concerned the goods for the Grand Hotel. To the best of my knowledge these other sums you now refer to are in respect of proceeds of goods.

Mr Marks objected, these items being agreed to be referred.

Mr Dickins was endeavouring to show that the whole of the sums paid the two other Banks had been handed over without any deduction whatever. If Mr Davison got his charges out of the \$45,000 borrowed of the Bank, his representation that the goods were unencumbered could not have been a true one.

The Judge.—Mr Robertson relied on his valuation of the goods at \$45,000.

Witness continued.—The books were made up from time to time by Mr Davison's book-keeper. I can explain every item. The money to the credit of the trading account is proceeds of goods sold by Mr Davison. From the 1st December to the 25th August the proceeds were \$34,732, the charges calculated up to the 31st July, 1873, were: for landing about \$300, duties \$3,70, storage \$1,200. Fire insurance on \$135,000, \$1,900. Commission I have not calculated. The policies were taken out for a year in April or May and only three months of them had expired. The deduction made by Mr Davison during that period amounted to \$5,573, so that about \$3,000 of his charges remained unpaid. He had, however, a sort of security in the unexpired policy. I don't know that goods have been given by Mr Davison to Mr Beato without any delivery order at all or whether goods in No. 83 are the same goods or not. Mr Beato has ceased to have any direct interest in the goods until the advances are satisfied. He has an interest to the extent of getting a good sale for them to pay off those advances and have his profit. Such borrowers have no legal disposition of goods

in my opinion without consent of the lender; but sometimes advances are made on goods, which are left in the merchants' own godowns. It depends a good deal on the arrangements made at the time of the loan. I cannot tell of a single instance in which the owner has had complete disposition of the goods subject to the redemption of the loan. I have never known of a case where a borrower could not dispose of the goods if he saw a good market; but he would have to get the consent of the Bank. Without a power of sale the borrower would lose his commission and make no profit. Mr Davison has stored other goods in a similar way to Mr Beato's. He has made advances against silk. I think there are some old cases in the books of storing goods as a third party. Mr Davison said to me in March when I pointed out a large amount of charges. "Oh yes! the bank will pay them." I know of a case where a bank has advanced money and called in the loan and sent in a debit note for interest on the principal and charges. The storers seldom render an account unless asked for it or unless the goods are sold. I don't think they would render a monthly account but they would a yearly one. The charges would be carried on the books at the end of the year. If asked for, or if the charges threatened to exceed the value of the goods they would render one.

To His Honour.—I know of no case where a borrower having made default, the Bank has been held primarily responsible, nor of any case to the contrary. I have known cases when Banks have sent in debit notes to the borrowers. He has paid the Bank and the Bank the godown-keeper.

To Mr Cheslure.—I should consider the Bank primarily liable for the charges. I do not think the charge account should have been sent in as the goods were removed, as it was a continuing loan and the same security stood good.

Mr N. P. Kingdon, deposed: I am senior partner in the firm of Kingdon, Schwabe & Co. and have had experience here for over 11 years. As a rule Banks have no godowns and therefore intrust the care of hypothecated goods to third parties. The Bank gives orders to the latter to store and fully insure the goods and hold them against its order. The order produced is a usual formal order. It is very concise. Upon such a letter I should look for storage charges to the only person I should recognise in the matter: the writer of the letter. I should know of nobody else. Upon the order produced I should deliver up the goods, looking for charges to the person who presents the order. That might be anybody. I deliver to the paper, not to the individual. I deliver to the Bank's order. I said just now in case any person came for the goods I should look to anybody to whom I delivered the goods. But I can't recognise any individual in the matter except the signature to the paper. On that paper I deliver to the order on the paper; namely, to the Oriental Bank.

His Honour.—Do you ask the paper to pay the charges?—The O. B. C. is the holder of the paper and it is the signature I deliver to. The paper itself is the authority.

Q.—Do you ask the charges to be paid there and then?—No.

Mr Marks.—To whom do you look for your charges?—To the Bank, of course. Allow me to modify a little. If the person who delivers the paper offers to pay the charges I accept them; but on such an order I should not ask him for charges.

Q.—Are you aware of any custom, usage or rule by virtue of which the borrower is responsible for the charges on goods so stored and not the lender?—That is rather a difficult question to answer, for this reason that the storer of the goods has nothing to do with anybody except the Bank which gives him the order. Besides the security of the Bank credit, the holder looks to the goods as security for the charges in case the Bank should refuse to pay. We always consider the Bank sufficiently good. No Bank here has ever refused to pay, so the case has never yet arisen. If a Bank did refuse to pay I certainly would not deliver up the goods till I received my charges; neither if a Bank failed would I deliver up the goods to its assignee until I was paid.

Cross-examined by Mr Dickins.—I am not a Banker, but have stored goods for a Bank. I know nothing about whether they were pledged to it or not. Some cases I know of where they have been, but I did not make any enquiry. I sometimes know the owner of the goods. Sometimes the Bank paid the charges, sometimes the parties who came and brought the delivery order on releasing their goods.

Q.—In some cases you say the Bank paid the charges. Do you know whether in this case the owner of the goods had made default in payment or not?—I believe not. I know of one case.

Q.—What house was that which pledged the goods?—I refuse to answer. I am asked to reply to a very private matter. It is now



some time ago that it occurred; the name of the house was not given to me, but I learned it casually.

Q.—You must answer all the questions put you unless it is against the law. Perhaps I may find out evidence to the contrary at the Bank, if you tell the name.—A. It occurred in 1869; the Bank was the Hongkong and Shanghai Bank. The other question I think I ought not to answer.

Mr Dickens.—I must insist upon your doing so. I have been debarred from calling other witnesses to prevent making matters public, and those who choose to come here must answer what I ask them.

The Court.—Do you decline altogether to answer?—Witness. I decline altogether to answer the name of the house. I only got the information casually. The Bank had advanced money on these goods and sent them to me for storage and insurance. I looked to the Bank for payment. It commenced in January or February and went on during the greater part of the year 1869. I sent in notes from time to time and received the money from the Bank.

His Honour.—I think the best way will be to drop this question.

Mr Dickens.—I must insist upon it.

Mr Marks.—I think sufficient details are given. The witness has mentioned the name of the Bank and the date approximately. That is sufficient to afford opportunity to bring the Bank to prove or disprove the fact; but my learned friend wishes to annoy the witness.

Mr Dickens.—The object of my asking the question is to test the truth of it. The witness may be mistaken. I must know the name of the person to prove whether he had made default or not.

The Court.—If he tells you the name of the Bank and date, you have perfect opportunity of finding out the name.

Mr Dickens.—But I'm not bound to go rushing to the Bank to find out all the rest.

The Court.—Well, if you want to investigate it, he has given you sufficient clue.

Mr Dickens.—The only pleas on which a witness may refuse to answer are either that his answer may incriminate him, or it is a matter of privileged communication, neither of which are available in this matter.

The Court.—The practice has been carried to a great extent in recent days of allowing counsel to ask any questions they like to put which are disagreeable to answer and not requisite to put. I don't think this should be encouraged.

Mr Dickens.—I think it is requisite. Nobody knows my case except myself.

Mr Marks objected to the question being answered on the ground that it was mere hearsay of Mr Kingdon's.

His Honour to Witness.—Do you know of your own knowledge who was the borrower in the case?—Witness. No. I have my suspicions about it.

Mr Dickens.—You stated clearly you knew the borrower in question was a firm still existent in Yokohama.—A. I did not say the borrower; I said the owner of the goods. I was supposed at the time not to know who he was. I believe that name was kept wilfully from my knowledge.

His Honour.—The witness is not called upon to say what he thinks.

Mr Dickens.—I never heard it said that a man may come into Court to say what may please his side of the question and refuse to answer all that is disagreeable to him. He does not know absolutely, but fairly well who the person was; the firm still exists and has never become insolvent, and it is for that reason he supposes no default has been made in payment.

The Judge.—You can't ask his belief or opinion on that unless he chooses to answer.

Mr Dickens.—But you can make him answer. He has admitted he has knowledge, and could make a shrewd guess any how.

Mr Marks.—Really, if such questions are pressed by Counsel it will be a matter of difficulty to get any witness into the Court at all.

Mr Kingdon (interpolated.) The goods were rifles in this case.

Mr Dickens.—I still insist upon my question.

The Court.—Well, am I to commit him if he doesn't answer or what?

Mr Dickens.—No, I only ask that the evidence may be struck out.

The Court.—I think, Mr Marks, I must strike it out. After all, people are compelled to answer much more disagreeable things than this. It is a very invidious thing to do, but according to the technical rules I must strike it out. What other resource have I to make him answer?

Mr Marks.—I submit that the answer is quite sufficient for all reasonable purposes, and the evidence should be retained.

The Court.—Counsel may ask a great many questions which we

do not know the purport of, and as a rule witnesses are generally called upon to answer.

Mr Dickens.—If your Honour admits the evidence it is sure to quash the verdict, whatever it may be. There's another very strong reason why it should be answered. I should have had several witnesses in Court on my side, but for their very fear of having questions put to them, and they asked me to excuse them.

His Honour read over the note, and proposed to strike out that part of Mr Kingdon's evidence relating to the one firm.

Mr Dickens argued that the whole of the evidence must be erased.

Mr Marks.—Oh dear! This is very sad.

Mr Dickens.—Not only that, but Counsel has no right to object, interfere or defend the witness, because in all cases where witnesses are not compelled to answer, the privilege is theirs to object, and consequently Counsel will not be permitted to interfere.

The Judge.—Mr Dickens; you wish the evidence in chief to be struck out. In that case you might ask all sorts of irrelevant questions, and then because the witness refused to answer one you might get the whole of his evidence struck out.

Mr Dickens.—By section 562 of *Taylor On Evidence* he must be committed for contempt in case he refuses to answer. There seems to be no alternative: I must leave it in the hand of the Court; but should not think of having him punished for it.

His Honour.—I think nothing is to be done but let it stand over. It is a matter for observation by counsel; for them to show me to what extent I am bound to strike out the evidence. It is of course open to you to comment on the witness' unwillingness to answer and make what you can of it.

Mr Dickens refused to cross examine further.

Mr Marks thought witness might be called upon to answer, but was justified in refusing to do so.

Mr Kingdon.—Loans made by Banks are private and secret and are not supposed to be brought before the public.

Mr Dickens.—Ours have been.

His Honour.—It is I think your duty to answer.—Mr Kingdon. Well, I am not positively certain of it. Though I don't know positively, I have my surmise.

Mr Dickens.—Do I understand your Honour admits the evidence and that my objection is over ruled?—The Court. Well, yes. (Reading) "the law does not allow a private friend to withhold a relevant fact, even of the most private nature and communicated to him in strictest confidence." I think the course is, in default of commitment and calling up all the terrors of the law, to leave it to counsel to comment on.

Mr Dickens.—The Judge has a right to commit and does his duty by exercising that right, but there is no need of exercising that strong power, and a compromise is arrived at by striking out the evidence.

The Judge.—I will let it stand over and tell the jury they are not to receive that evidence. But I must have chapter and verse for striking out evidence for the reason that a witness can testify to a fact and does not like to. That question will stand adjourned.

Mr Kingdon (*To Mr Smith*).—When I store for a Bank I do not send in a list of my charges at the time of the first storing, nor is it customary for them to ask for it. I have never seen that particular form of godown order before, because my godown orders are generally made by myself and signed by the firm and endorsed by the Bank as emanating from it. I have never acted as storer and seller at the same time. I close the accounts for charges every month, and let people know how they are running on. Sometimes the owners first store the goods and then get advances from the Bank on my delivery order. I do not always let the borrower know also. In the case of Chinese, the Compradore collects the bill, which is made out at the end of each month. Payments on account are generally made from time to time. (*To the Court*.) My practice is to have the charges always paid before the goods are finally delivered. (*To Mr Smith*). If the Bank sends me an order to deliver say five bales out of twenty-five, and it is not marked on the delivery order that I am to collect the charges, I would deliver the goods and carry the charges to the account of the Bank. The time of rendering in the account and rate of my charges would depend on the duration of the storage. If for a period of two months, at the end of that time. If for a long time, I should at all events send in one occasionally to show the charges were increasing and should certainly expect payment when I wanted it.

Mr Davison (*recalled: examined by Mr Marks*). After the proposed arbitration fell through I had liabilities to the O. B. C. I had loans in the ordinary way for which they had the usual security and promissory notes payable on demand. It has never been the custom until lately to present such notes suddenly.

Mr Dickins.—We don't dispute that : the question is needless.

Mr Marks.—If I put a leading question my friend jumps up in a fearful rage, and if I put a simple question he objects.

Mr Dickins.—We admit at once there are demands and we sued Mr Davison on them. I don't think its at all fair to recall him

Mr Marks.—I wish to shew that undue pressure has been brought by the O. B. C. upon the plaintiff and in summing up I wish to shew the jury that the Oriental Bank attempted to burke the case.

Mr Dickins argued it was unfair to state this now that Mr Robertson's evidence could not be obtained to refute it.

Three letters were here put in from the late Mr R. B. Baker to Mr Davison :

Chartered Mercantile Bank, Yokohama.  
28th February, 1873.

Messrs Davison & Co.

Dear Sirs,—Enclosed please find form of godown order which please fill up in respect of various merchandise placed with you by Beato & Co. on account of this Bank and return to me. Please also hand me at the same time the insurance policies covering the goods against fire. It is understood when any sales have been arranged by Beato & Co., or any agents of theirs, you are at liberty to deliver the goods sold on receipt of cash against these. Any sums received to be handed me with memo. of delivery. With the exception of musters, should it be desirable that any portion of the merchandise be sent to Yedo for sale, it will be necessary for my permission to be first obtained.

Yours faithfully,

R. B. BAKER, Manager.

The second dated 3rd October, 1873, signed W. H. Henderson, enclosed statement of bills due next day, and of others due the day before held over at Mr Beato's request, concluding with a statement that the inspector was to arrive in a few days and everything must be ready for him.

The third was dated simply "Wednesday" and bore no endorsement of date of receipt. It recommended the receiver in order to keep the accounts clear as to payments on each special bill, to open a special book, with particulars of each invoice on the left hand page, headed by the particulars of the bill drawn against the invoice; the right hand pages to contain the particulars of the cash received against that special bill. Goods were accumulating so fast the writer would soon have \$150,000 worth on his hands and did "not know what the deuce will be the consequence. I may be wrong, but I don't see when tea and silk are being sold it will help purchases of such goods as Beato's." The writer was further perplexed with regard to a draft of Cowderoy's: and as he could not remit piecemeal the whole thing was troublesome. At the present rate of goods neither the receiver nor the writer of the letter would ever live to see goods against the first advances sold.

Mr Marks.—I would like to call your Honour's attention to the absence of any reports in the newspapers.

Mr Dickins.—I don't object to their appearing.

The Court.—I was under the impression you in a manner objected.

Mr Dickins.—No, it was the Court of its own motion intimated some desirability that the proceedings should not appear at that time.

Mr Marks.—At that time I did not think it necessary for me to interfere in the matter, but now the case has got over to such an extent it will be a very great advantage to me to see the evidence in the newspaper. I don't think any possible injury would be done.

His Honour.—I am sure I have no objection to its being published if neither party objects.

Mr Marks.—I should very much prefer its being published.

His Honour.—If it only involved a couple of days it was thought it would be better to stop till it was all over.

The Court then rose.

OCTOBER 16TH, 1874.

Mr Dickins, in opening the defence, stated as to its main outlines and the nature of the case, if it rested only on the fact of the Bank ordering Mr Davison to take possession of the goods, his friend would have a strong case; but that was only one of the incidents of a complicated transaction. But this was like a Quaker gun, very terrible at a distance; but when close to an enemy of no service whatever. When Mr Beato returned from Europe in 1872, he returned with the goods for the foundation of a very large business, which had since been carried on. Mr Davison promised to undertake its management, and to divulge nothing which came to his knowledge of Mr Beato's affairs—For his service he was to receive a commission of 2 per cent on large sales, and 5 per cent on smaller transactions—a liberal commission which would have given Mr Davison \$12,000 or \$15,000 yearly for doing almost nothing and giving Mr

Beato an office with partial use of a godown Upon these terms the business was to be conducted. This was to be one condition. A gross rent was to be paid for the use of the godown and offices, but the whole of the insurance premiums was to be repaid Mr Davison. For one or two months, Mr Davison had sufficient money of Mr Beato's in hand to repay the whole of the charges incurred on account of his principal and the goods first hypothecated were sold by the plaintiff as agent for Mr Beato, who as the principal party interested in them assisted in their disposal. The deductions said to be made were made without Mr Beato's knowledge or approval and without notification of the charges being sent in to the Bank, and therefore if these charges were paid at all, they have been paid by the Oriental Bank or out of Mr Beato's money. The agreement was fully substantiated, and the theory of plaintiff that he was not the agent of Mr Beato would be proved to be an absurdity. The nature of the relations between the two were almost as well known in Yokohama as the existence of the sun at noonday. From thence he should prove Mr Beato was principal and Mr Davison the agent for the sale of the goods, and not the agent of the O. B. C., except as their custodian. Another thing was, plaintiff made a charge for custody of goods on Lot 37. It would be shewn he was neither owner nor tenant of it; that Mr Beato was now the owner, and previously to that, was the tenant. This showed the extraordinary impudence of the plaintiff, who actually in the first accounts sent to Mr Beato charged him for the use of his own godown—a piece of impudence it would be hard to match. An other question was as to the custom; whether charges for the custody of goods were primarily payable by the Banks, or the owners of the goods? He should show the universal custom was for the owner to be first held responsible; the goods next, and in the third case, should default have been made by the borrower, the bank. The holder of a lien on goods was not the proprietor. He had a limited interest; but was not the proprietor—though he might exercise, (only through a court of law) a veto to forbid improper disposal of them. The object of the action was not to get the money paid; but to annoy Beato by annoying the Bank, and to put his private affairs before the public. He had nothing to be ashamed of during the whole course of his life; but men of business were chary of displaying their business secrets, because their consignors would be annoyed by disclosures of their business and the difficulties of competition, already sufficient, increased. The plaintiff must substantiate his position, that he was the agent of the Bank, or his case fell to the ground. This he would review subsequently, and would no doubt convince the jury, Mr Davison was to the time of the rupture the agent of Mr Beato in regard to his goods; and, if not, could have nothing to with the sales of the goods.

Mr Marks submitted that his learned friend should not be allowed to mislead the jury on a point of law which was wrong.

The Judge.—I must warn the jury against accepting this argument. However strongly points of law may be laid down by Counsel, it does not follow you can accept them as being law.

Mr Dickins observed he would put his case before the jury. Mr Marks would put his, and the Court would instruct them as to the right law.

Mr Geo. Blakeway examined and deposed.—I am the principal of the Société Anonyme Franco-Japonaise, and have had considerable mercantile experience in the East, say for 21 years. I have not often stored goods on account of advances made on them; but am aware of the custom as to the persons who are liable to pay storage charges for such. In the event of a person taking an advance of money from a Bank, pledging goods to that Bank, and storing the goods with me, I look primarily to the goods for the payment of the storage charges—not to the Bank. By looking to the goods I mean they are my security for charges. I suppose the person the goods concern will pay—that is, the person who does take delivery. If he does not pay the charges I should then look to the person who stored; but I should refuse delivery of the goods if he did not pay, when he took them and communicate with the person who entrusted them to me. In a case like that, I should say both the owner and the Bank entrusted them to me, that goods received were liable only. If the charges were not paid by a certain time, I should notify all the parties interested. I have not been employed to store goods for a Bank nor have, had to procure advances on goods I have stored for a third person. I cannot say I have not received advances from Banks; but I have never pledged goods stored by a third party. I have never known an instance where a bank storing goods has been charged with the expenses of such storage previous to the default of the borrower. If I am asked to store a quantity of goods on behalf of other people, I usually send in quarterly accounts. If they were

of considerable value, and the expenses were also considerable, I should send the account in every month, not waiting to be asked. The book-keeper would be instructed to make them out regularly. I should not deduct any proceeds of goods sold by me whilst they were in my hands without notifying the parties interested. It would appear on the account. I could not do so, without the books being out of order, and I would not do so. If I saw in a merchant's ledger an account headed "F. Beato in account current with Davison & Co." I should say Mr Beato was a constituent of Mr Davison's. If goods of the kind enumerated in this list were stored by me at 5 per cent. commission on the sales, (my average charge for storage being based on the value of the whole, about \$200,000) I should make a considerable reduction on the usual charges: say about 10 cents per package per month.

To Mr Marks.—If those deductions of the proceeds of sale appeared on the accounts from time to time that would be sufficient notice that I had made the deduction.

To Mr Dickens.—I mean if they appeared on the monthly account,

Mr John Grigor deposed.—I am well acquainted with the parties to the case. I am Chief manager of the Horaisio and was formerly of the Hongkong and Shanghai Bank. I know the parties to the suit have been concerned in business. I remember a conversation between them about November, 1872, shortly after Mr Beato's return to Yokohama. It was a proposal by Mr Beato that Mr Davison should charge a certain commission, and a fair rent for the godown. I presume that for the commission he should assist in the sale of the goods. It was to be 5 per cent on small sales, and 2 per cent on the large, with a fair godown rent. The goods were then in Mr Davison's possession. Mr Beato owned them, and they were to be sold on his account. Mr Beato afterwards talked on several occasions to me about the goods and appeared under the impression that the commission and charges were to be as I stated. He once showed me a policy made out in the name of Davison, and to my enquiry, "Why is it not made out in your own name?" said "It's all right, Mr Davison takes them out for me." I can't say if Mr Davison accepted the offer of Mr Beato. I don't think Mr Davison either accepted or refused the offer at that time. Since then I have often seen both parties. I have written one or two letters on various matters for Mr Beato, but have never made up any accounts for him. I have never spoken to Mr Davison about these arrangements. The subject was not exactly tabooed. My impression at the time was that Mr Davison was selling the goods for Mr Beato. With regard to lot No 37, I don't know who is the owner. I believe it is Mr Beato's. I think he became the owner shortly after Mr Baker's death, who was the registered owner. No 37 was purchased by me in March 1873, and Mr Baker, Mr Beato and Mr Davison took a share in it with me. Mr Baker said he preferred to advance the money, register it in his name, and sell it when opportunity offered. I presume Mr Davison and Mr Beato, took their share, but did not pay for it, as Mr Baker paid all. While it was in my hands I rented the property to Mr Beato, but never to Mr Davison. I have heard Mr Beato ask Mr Davison for an account several times. As a bank manager, I have known of a bank primarily charged with godown expenses, in the case of a dishonoured bill where the bank took possession of the goods. I have not known it when the bill was not dishonoured.

Cross examined by Mr Marks.—At the time of the conversation the goods were in the possession of Mr Davison. They were entrusted by Mr Beato to Mr Davison first. Since 1872 they have been put in his possession by the O. B. C. to whom they are under lien. I do not consider myself as Mr Beato's agent, because I have written several letters for him. If I authorised a third party to store, insure, land and pay duty on goods. I should consider I was bound to pay all the charges. From the letter of the 6th October enclosing B. L. of goods per *Aba* to be stored, landed, &c. I should consider if I had written that letter I would be responsible for payment. With regard to the lease to Mr Beato, it was merely a verbal agreement at a specified rent of \$90 a month. I told him if he paid what would cover insurance and other expenses he would have the godowns. No time was specified. This was after the property came into the possession of all four. Mr Davison must have been aware the goods went into the godown. I could not tell if he knew witness had rented the place. He might have known.

Re-examined.—Mr Davison never paid any thing for the property of which he was part owner. I paid the whole amount, and it was afterwards refunded by Mr Baker. (To the Court) Mr Beato bought the place from the executor of the late Mr Baker shortly after his death. I arranged the purchase of it for Mr Beato. Mr Davison was consulted on it, and consented to the transfer. He received no money and had paid none. Mr Baker died in May,

Originally the property was bought at auction from Mr Wilkin. (To Mr Dickens.) If I advanced money on goods in godown, if no default had been made, at the request of a person who came to me, having the goods so already deposited as a storer I should certainly make my fresh charge against the borrower and stick to the goods till it was paid. If applied to by the storer as the lender of the money I should look to the owner of the goods and should not pay the same till I had asked him to pay it. Supposing the godown-keeper came to the bank before endeavouring to get the money of the borrower I certainly should not pay his charge. I should refer him to the borrower. If the bank requested the goods to be stored I should think it primarily liable.

His Honour.—I shall lay it down that the Bank is decidedly primarily liable in the sense in which I understand it. As between the borrower and the bank, the bank has the right to undertake the whole of the property charge on the borrower; but it gives the borrower the opportunity of paying if he likes. If he does not, the Bank is liable.

Mr Dickens did not deny the godown keeper had a right if the goods were deposited by the bank; but he had not, in spite of those forms, when they were deposited by the owner.

His Honour.—Do you mean to say hypothecation is a mere empty formality?—No, because it preserves the bank's lien, but the goods do not come into its possession, till after they are deposited by the owner.

His Honour.—I consider the Bank deposit those goods. They would not lend the money unless the goods were deposited or they felt certain they would be.

Mr Grigor.—If I had any doubt that they would be spirited away, I would not advance the money.

Mr Dickens.—The borrower takes the goods to the godown keeper, together with a letter like this to show that he will be recognised by the Bank.

His Honour.—He is absolutely appointed by the Bank their agent to hold the goods in their name.

Mr Dickens.—He is primarily the agent of the owner of goods.

His Honour.—I don't think you are right, the borrower is not the owner, it is the bank.

Mr Dickens.—How is it the owner pays the charges?

His Honour.—I suppose if he doesn't, he will have them deducted from the proceeds.

Mr Dickens.—Then in case a Bank advances money on goods in godown, it is simply purchasing a liability.

His Honour.—Banks do it every day. They know there's a chance of the goods going down.

Witness.—I do not know of any instance where the Bank has paid the charges unless the bill is dishonoured.

Mr Dickens.—In that case, the Bank takes complete possession.

The Judge.—It always has it to all intents and purposes. If it has not, and they can't trust the godown-keeper, so much the worse for the Bank. The goods are positively hypothecated to it and in its possession.

Mr Dickens.—In strict law there is no possible hypothecation whatever; the Bank is only the bailee of the lien, and has only limited possession; not being able to sell the goods without the consent of the owners.

The Judge.—They are conditional owners, and mortgagees.

Mr Marks.—In the assumption that Mr Davison is agent for Mr Beato, the Bank would not be protected in case of bankruptcy.

The Judge.—By your own witness, Mr Robertson, it is abundantly proved that Mr Davison was his agent.

Mr Dickens.—Yes; as custodian; but as commission agent or the agent of Mr Beato. If he had applied for storage charges to Mr Beato and it was refused, then he might have had a claim against the Bank; but the circumstances show the owner of goods shall be first resorted to and then the Bank. In the first case, he was resorted to, and was willing to pay the balance of account, and absolutely offered to credit plaintiff with all sums to which he was entitled under his agency commission.

His Honour.—I shall lay down as law that a Bank is primarily liable where goods are confided by it to a storer to keep for them under such documents as are here, though it may be proper and perhaps may be the custom to allow the owner of goods the privilege of paying for the storage.

Mr Dickens.—I shall prove that it is the custom to make recourse to the borrowers, and taking into consideration the common sense view of the matter, there is an implied tripartite agreement between the banker, borrower and storer that the godown keeper shall first of all look to the owner, then to the goods and the bank be looked to lastly as the guarantee.



The Judge.—There is? The distinction between legal liability and the ordinary customs of business has also to be considered.

Mr Dickins.—Yes, and what I say is the custom, the implied agreement, must be imported into the consideration of the case.

Mr Marks.—It is already on the record that the whole of these goods have been claimed by the bank from Mr Davison, and if they are so given up, what becomes of the lien? I shall be ready to take a Verdict subject to reference to save costs. I should think after what has fallen from the judge my friend would be happy to consent.

Mr Dickins.—Certainly not.

Witness.—As a banker, I would not pay; but ask the borrower to pay. If I consulted the borrower, and he could not pay, I as the banker, would feel myself responsible to pay the charges. (To Mr Smith) the delivery order was not in the usual form.

Mr Dickins here stated that in the early part of the transaction goods were taken delivery of by Mr Beato in large quantities, and by stored him in No. 37, without any delivery order from the Bank at all.

Witness.—The custodian would be authorised to deliver goods to any party. The endorsement on this order does away with any question of charge. The custodian on the face of the endorsement would look to the bank for payment. During my experience of lending money on goods in godown, I have known of cases when the custodian was authorised to sell for the Bank. It was a matter of arrangement between him and the Bank. A Bank wishing to land goods on a Bill of Lading, it does not necessarily follow that the custodian knows the owner of the goods. I don't remember the date when Mr Beato first asked Mr Davison for an account. It was before the rupture.

Mr Marks admitted that his client had been rather late in presenting an account, but his clerk Mr Smith had died and the others were of little use.

Witness (to Mr Cheshire).—If goods were transferred to me from another Bank, I should consider it my duty to find out if there were any charge on them. When I let No. 37 to Mr Beato, I considered Mr Davison as part-owner. When it was actually sold to Mr Beato he took it for the amount was paid for it. If there was a profit, Mr Davison should have had a part-share. I consulted Mr Davison as to the transfer.

Mr Marks.—That is then the end of the charge of unparalleled impudence.

Mr Dickins I repeat it. If a man kept goods in my godown, what right had he to charge for it.

The Judge.—But Mr Beato is not the defendant here; I can't repeat it too often.

Mr Dickins.—How can the O. B. C. then be charged for rent of a place which neither belongs to the person charging nor is rented by him and the owner of which didn't wish to make any charge for it? In fact the goods at 37 have never been in charge of Mr Davison, but in that of Mr Beato.

The Judge.—Before you can show he cannot recover for storage, you must shew he has been unfaithful to his trust. He is responsible for those goods.

Mr Dickins.—The object of storage of the goods was to keep them out of the possession of Mr Beato; and here they have all the time been in his possession.

The Judge thought this defence of "never indebted" was unfairly sprung. If intended to be made it should have been pleaded.

Mr Dickins said he had written to Mr Marks that he intended to plead "never indebted."

Mr Marks.—If I undertake to keep a horse, and I can get a stable rent free to keep him in, I am surely entitled to charge for his keep.

George Wm. Thomson.—I am assistant accountant in the Oriental Bank, and till lately was acting accountant. I remember receiving a letter dated 9th February from Mr Davison. It was not in answer to an enquiry of mine about the storage of wine. I believe I asked him as to storage generally for 50 bales of cloth which a Japanese proposed to hypothecate. It was a mere memorandum and I have no copy of it. I never knew Mr Davison deducted certain proceeds from the sales of the goods in his possession. I understood the relations of the plaintiff and Mr Beato were that the latter was responsible to him for the charges. I understood the intention was the same as in ordinary cases—that the borrower should pay the charges to Davison & Co. I have been six years in London, 1 year in Shanghai and three years here in a Bank. My experience is the charges are always paid by the person who hypothecates the goods to the Bank. I have never known any exception to that rule.

To Mr Marks.—It is part of my duty to see in a general way that the work of the office is done correctly by those who are under me,

The negotiations in this case were conducted by the agent, Mr Robertson. He was over me. I did not have to check his performances of duty. He was responsible for that. This list is on one of our forms. It is a clause "and shall reimburse yourselves out of the proceeds of the sale of the said property all costs, charges or expenses of keeping the said property as security." It is possible in a great many cases, it might apply. No doubt it was put in for some valid reason. I am not prepared to state generally what the application of that clause is. If the person who borrows the money doesn't pay the charges, it would depend on the arrangement whether the Bank would be liable for the storage.

Mr Dickins objected that these were all questions of law.

His Honour thought they were admissible. He should instruct the jury that the mortgagee of the goods was liable. As to primary responsibility it was not a case of first or second; the Bank was liable. If any body else chose to pay, he might. If Mr Thomson could show there was an agreement contrary to this it would be very fair, but he obviously did not know what the agreement was.

Examination continued.—There is nothing in that letter, implied or otherwise, to shew that the borrower undertakes to pay the cost of holding the security. It is a mere formal letter.

His Honour.—If you admit it is a mere matter of form, then it goes for nothing.

Mr Dickins.—I quite admit there is nothing to show on the face of this that Beato had to pay.

Mr Marks.—When an accountant takes upon himself to say a public letter like this is mere matter of form, anything and everything may be so.

Witness.—I mean it is sent in the routine of the office.

His Honour.—You don't mean to say you are bound by this?—Not in the face of the original agreement.

Mr Marks.—That was written for mere amusement—it's waste paper?—No; I have every reason to suppose there was an agreement which might nullify that letter, though I am not definitely aware of one.

Mr Marks.—When a Bank accountant comes into Court, and talks about mere forms, his evidence is utterly worthless.—I meant it was done in a formal manner; in mere routine.

Q.—Well, as I shall be answered in a formal way, which will equally mean nothing I shall not ask you many more questions. When you wrote that letter to Mr Davison had you given him any wines to store?—I may or may not. I never asked him the cost of storing wine.

To Mr Smith.—All the goods up to some months ago have been delivered on orders from the Bank.

Mr Dickins stated that these so-called orders were not delivery orders at all.

Mr Marks asserted that a good many of them had been abstracted from Mr Davison's office and were now in the possession of the opposite side.

Mr Dickins rejoined that no delivery orders were given by the Bank up to the 13th June. Mr Thomson was under a mistake.

Mr Marks.—Surely, my lord, it's barely possible for a counsel to contradict his own witness.

To Mr Smith.—Those are the ordinary forms of delivery order from the bank. The business of this advance has not been done in the ordinary way; there have been charges in the way of delivering the goods. Another gentleman in the office had immediate charge of these goods and received instructions direct from the agent. In some cases I leave the details to other officers if satisfied they are fully competent. In these cases, I did not go into details on the Bank delivery orders. Davison & Co. would, on those orders, deliver those goods to the party bringing the order. It is always understood that they are to be delivered on payment of charges. Generally it is not the custom in this agency to endorse the words "Deliver on payment of charges." Davison & Co. would understand "F.B." to mean Beato. Their chief business with the Bank concerned him. In my experience cases have not occurred where the name of the borrower is not known by the custodian; the usual course is for the goods to be stored first, and the loan negotiated after. If the Bank is satisfied with the godownkeeper the arrangement as to the goods is considered satisfactory. I was satisfied everything done at first with regard to delivery was done with the concurrence and sanction of the agent of the Bank.

Mr Marks put in a godown order of the O. B. C. in which it stated "deliver on payment of all charges."

Witness.—That is made out by Mr Cameron, who has come from our Shanghai office, where it is the custom to do that.

Mr Marks.—If you had done that in the other cases we should not have delivered them without the money. As it was, we trusted the Bank. This mode of endorsement is the custom in other Banks, and is the proper one.

Mr S. J. Stransome.—Am employed in Messrs Sitwell, Schoyer & Co. and have charge of the general business, part of which consisted in storing goods for Banks and firms. One was the Chartered Mercantile Bank.

Mr Marks here objected that the name must be given of persons for whom goods had been stored.

Witness continued.—They looked for their charge to the owner of the goods. If he delivered goods to a stranger, he should charge before he gave delivery of the goods. Charges were made up at the end of each and every month. In cases of sale of goods by the Bank authority by their written instructions the charges were deducted from the proceeds of sale. He knew of no other house in Yokohama doing as much storage business as Sitwell, Schoyer & Co. Cross-examined.—Had been with them nearly three years. Entered their office as book-keeper; was with North & Co. before two years. (To Mr Smith). If that letter was addressed to Sitwell & Co. and I landed the cases named in the Bill of Lading, I should not know who F. B. was. I should apply to the Bank to know who he was, and get the invoice from him to pass the Custom House. I have never received an order like that produced yet. If I did receive one such from a Bank, I should not deliver on it till I had asked one of the firm. That is not a Bank form, but a private form torn out of ordinary godown book. I had never been refused payment of charges by an owner.

Mr Dickens objected to the questions of the jury. They might as well have been put by the Counsel for plaintiff; they were of such a nature.

Mr J. Russell, accountant in charge of the O. B. C., deposed that within his experience Godown-keepers had never demanded charges from the Bank.

Mr Samuel James Elder, assistant accountant of the O. B. C., said during the last 12 months he had been in charge of bills and loans. He was acquainted with the transactions in this case for that period. During that time had frequently seen Mr Beato and Mr Davison. He had understood Mr Davison was Mr Beato's agent. Their transactions led him to suppose so. Any money paid into the Bank for Mr Beato's account was paid in by Davison. Remembered signing the orders produced after the middle of June—never before. Wrote the letter produced, dated 17th June, stating that no deliveries were to be made from plaintiff's godown without the Bank's order. Had no recollection of any case where the Bank had been asked to pay charges for goods pledged.

Cross-examined.—At the beginning of this year he took an inventory of the goods in Mr Davison's godowns by request of Mr Robertson. Did not remember seeing the books. In July last, he went with Mr Dickens to Mr Davison's and then to Mr Marks's office. Would not swear what it was about. Took two letters which were addressed to Davison & Co. Did not remember what their contents were. Remembered refusing to leave some paper there. Did not remember Mr Marks taking a copy of that letter.

Mr Marks produced a copy of the letter which he was prepared to swear was a true one.

Mr Dickens.—If there was such a letter, I never allowed you to take a copy. You must have made it up out of your own head!

Witness did not remember making a demand on behalf of the Bank on Messrs Davison and Co. to deliver up all the hypothecated goods. Was present with Mr Dickens at the time mentioned. They went there to see Mr Davison in connection with this business. Had no recollection of ever making a demand for the goods personally. At the time Mr Robertson gave him a parcel of papers and he went with Mr Dickens to Mr Marks's office. Knew these goods were hypothecated to the Bank by Mr Beato. Knew Mr Davison was bound to pay in the money as the custodian for the Bank. Thought his Lordship had just said Mr Davison was Mr Beato's agent. Had no knowledge of Mr Davison being appointed agent by the O. B. C. to look after those goods. At the time the letter produced was written, Mr Davison was acting as agent for Mr Beato. Never thought of addressing it to him as such. It should have been so, had it been carefully written. All the letters were written in the same way. Mr Davison applied for the bill of lading and the letters were written to him as Mr Beato's agent.

His Honour.—It is the most extraordinary way of doing business I ever heard of. The whole purport of the letter is to put Beato at arm's length. It contradicts itself on the face of it. It merely stultifies the letter. He is told "to land the goods, take them and store them on our account."

Mr Dickens asked if it was not the intention of a Court of Justice to get at the real meaning of things and not to catch at small quibbles?

His Honour.—He says this letter is addressed to one man and the real intention is to address it to the third person.

Mr Dickens.—This letter is not put forward as proving Mr Davison was Beato's agent. Of that we put forward other proof.

The Judge.—In what capacity was he agent?

Mr Dickens.—He's agent for these goods.

The Judge.—That is the very point on which the evidence of Mr Elder is unsatisfactory. He takes this letter which he wrote himself and the letter itself shows a stultification. I can only say if such a letter as that is sent with that understanding that the persons who are trusted as the agents for the Bank are doing business on a very false view of their position.

Mr Dickens.—No doubt it is an error on the part of the Bank, but it was written when all parties were friendly and they did not take the precautions they would do in other cases.

The Judge.—He has distinctly stated he doesn't know Mr Davison was appointed by the Bank to look after these things. How is that consistent?

Mr Elder.—He was appointed by the Bank to act as Mr Beato's agent.

Witness examination continued.—The goods were stored on account of Mr Beato, not on account of the O. B. C.

Mr Marks.—Then every one are utterly frauds, because they say (These are godown receipts by Davison & Co.) "received from F. Beato, Esq., the following goods, for the Oriental Bank which are stored for the Oriental Bank on account of their order."

Mr Dickens.—They could not store them for anybody else but Mr Beato, who placed the goods in their hands. Mr Davison obeys the order of his own principal, who said "Here, take these goods which I am going to hypothecate to the Bank."

The Judge.—Whom do they belong to?

Mr Dickens.—They belong to the Bank.

The Judge.—Now we are told the receipts are worth nothing as a title.

Mr Dickens.—They shew there is a lien upon these goods.

The Judge expressed an opinion that they clearly shewed they were stored for the Oriental Bank, and he should lay down that Mr Elder's impression was contrary to law.

Witness (to Mr Smith).—I have no knowledge of any arrangement with regard to the sale of the goods by Mr Davison. Previous to the issue of the delivery orders the goods were sold and the money paid into the Bank by Mr Davison. Previous to June I never endorsed any order. At the end of each month a statement was sent in of what goods had been sold. I was not aware they stopped any sum of money until June or July. A custodian would be usually justified in delivering cases to a person delivering the order without asking for the charges. It would be usual to do so I think. The man who delivered the order to the custodian would have bought the goods. He could not possibly be asked for the charges. The person to ask for those would be the party for whom Mr Davison is acting as agent. I understood their principal was Mr Beato. Mr Thompson checked the sales from time to time.

Mr Henry Engelhardt, examined by Mr Dickens.—I am in the employ of Mr Beato. In October last year I entered Mr Davison's employ. I remained with him two months. My principal occupation related to Mr Beato's goods.

Mr Marks asked if Mr Dickens was about to endeavour to elicit from an old clerk of Mr Davison's information of his private affairs?

Mr Dickens.—If you want an answer for me, you won't get it.

Witness.—After the first two months I was paid by Mr Davison on account of Mr Beato. From that time to June I was in communication with Mr Beato about these goods. I made the entries of sales, all cash sales by him were paid to Mr Davison and the money was sent to the Bank. Mr Beato, for the most part, conducted the sales.

Mr Marks protested against the introduction of Mr Beato's books.

Mr Dickens argued that he could not prove that Mr Davison was Mr Beato's agent without.

The Judge.—That can't bear on the case that I see.

Mr Dickens.—I can. If the Court can't, and chooses to take the responsibility of stopping it, it can do so. It may not end here. As far as I am concerned I should be glad if the Court would stop it.

Witness.—The total proceeds of the sales up to August 1873 was \$33,536 62 from the commencement of November. The invoices for the goods came from Europe to Mr Beato, the Bills of Lading being sent to the Bank. On the arrival of the ship, Mr Davison wrote to the Oriental Bank and got the storage of the goods. Mr

Beato then made the sales. Witness and the compradore delivered the goods to the buyer, and the money was handed to Mr Davison. Some of the goods were contained in the store on lot 87. Witness made out a list to give the godown keeper, who brought him the goods. The value of the goods would be about \$30,000 to \$35,000 exposed for sale. They were never signed at first. Simple lists were made out. I practically conducted the greater part of the book-keeping. I have never seen Mr Davison's books. Had been told by Mr Beato that he had asked several times for an account of the charges. Mr Davison never told him to make any accounts. Knew Mr Davison paid the duty. Did not know about the storage. Considered Mr Davison was Mr Beato's agent. He always had funds of Mr Beato's in hand. Never had any conversation with Mr Davison about charging anybody.

To Mr Marks.—Could not remember that any sale was made by Mr Davison when he was in the house. Mr Davison would come up stairs and talk, or look round the master room, but did not recollect any sales made by him; the banto made sales. Believe he received money from Mr Davison. Witness was paid by Mr Davison for Beato, at the latter's request.

Mr Felice Beato, examined by Mr F. V. Dickins, deposed: I have been in Japan 11 to 12 years and have known plaintiff most of that time. He has been always a silk inspector. Up to 1870 he lived with me. He went home at that time. I went home subsequently, and returned in November, 1872. Plaintiff's firm held my power of attorney and I drew upon them for what I required. Whilst I was in Europe I left my rents to be collected by them and they paid promissory notes for me from their proceeds. Whilst in Europe I arranged with a Greek house in Paris to start a house here and left Europe to follow the goods. At Singapore I telegraphed to plaintiff to take delivery of my goods for me and store them in his godown. On my arrival at Yokohama, I went to his house. Next day he told me the goods had not been landed. Next morning we met Mr Grigor at the office, and I stated to him that I intended to start a business in Yokohama. I said I would like to give Davison the business agency, as I would not wish to be known by the public as a merchant myself. If he would draw up a written agreement I would give him the agency. He consented to take it. His French bookkeeper and he then commenced to arrange the basis on which business was to be commenced. I offered him 2½ per cent on all sales over \$2,000 and on smaller articles *articles de Paris*, 5 per cent, and to pay godown rent. This was agreed to, and as a written promise had been given to keep the business secret, Mr Davison suggested it would be better to put the insurance in the latter's name. Mr Grigor was a sleeping partner in the matter with me. We came to the conclusion it was fair, and business was commenced. Every day the clerk attended at the office. After a short time as the sales were not very successful, I suggested to Mr Davison he should get a Japanese banto, and subsequently I engaged a Chinese compradore, his own being always busy with silk packing. The goods came through the Hongkong Bank. I then had a personal row with Mr Jackson and withdrew my account from the Hongkong Bank. I was then doing a very prosperous business. I brought samples of every kind of goods in Europe to try the market, and I ordered according to their out turn. I had altogether \$155,000 worth. I had arranged with the Hongkong Bank for a credit of £20,000. Witness then borrowed \$53,000 from Mr Baker to pay off the Hongkong Bank, and arranged for £25,000 credit in London, which I obtained. After he had paid off the Hongkong Bank he obtained the three bills held by Mr Jackson. Next day he informed Mr Davison of the fact and told him to send the godown orders for all the goods he held to me so that I might hand them to Mr Baker. I had my securities, shares, title deeds, &c., in the Bank strong room for safe keeping and not under mortgage. The Banks trusted me to sell the goods and pay in the amount received, and they were usually made in small lots. I informed the Banks Mr Davison was agent and what he did I was responsible for. His arrangement was for Mr Davison to sell the goods and pay in the amount to the Bank. I could place the goods in any godown he liked, and take them out without any delivery orders.

Mr Marks asked if His Honour had all this down. His Honour said he had not, and Mr Dickins said he had let Mr Beato tell his own story as the shortest way of arriving at the salient facts.

His Honour observed that in a case of this kind the mortgager had complete control of the sale of the goods or he would not lend his money.

Mr Dickins argued it was quite the reverse. He only had in default of payment. The hypothecation form specially provided "I

"hereby authorize and empower you to make sale of and absolutely dispose of the said property and security in such manner as you may think most advisable without any reference to me or consent on my part in case I shall make default in paying the sum of \$— according to the tenour of the promissory note for the same." That allowed the Bank could do nothing with it but keep it in safety.

His Honour.—At the same time you can't sell it. You can agree for the sale of it only. The mortgager has the sole control; though you might arrange for the sale you won't deliver the goods without his concurrence.

Mr Dickins.—In this case there was the liberty allowed to sell—one usual with banks who don't do business with people they distrust. It is a common thing to advance money on goods and leave them in the possession of the borrower.

The Judge.—It is a very objectionable one.

Mr Marks.—Yes, surely the banks have been let in through it. In one case I can recollect they lost \$120,000.

His Honour.—What is the duty of a Bank?

Mr Marks.—Why to find out a proper third party to take charge of the goods, which they did in this case.

His Honour.—Well they have incurred great reprobation in consequence of such practices.

Mr Marks instanced the cases of Boyd & Co. and Watton & Co. The Court then rose.

#### SATURDAY, OCTOBER 17TH.

Mr Thompson requested to make a statement. On thinking over the answers he had given the previous day, he thought he had not made his relation in regard to the business perfectly clear. He wished to show that when the loan was first made he occupied the position of cashier to the Bank; and nothing connected with the loan came before him then. The only instructions in regard to it which he received at the time were that moneys received from the plaintiff on account of these goods were to be credited to Mr Beato's loan. Witness had charge of the insurance policies, which were in the name of Davison & Co. and it was his business, as they expired to send them in for renewal. He did in other matters precisely as he was told, and day by day everything connected with the loan was submitted to Mr Robertson, so that witness fully carried out his duty to the Bank. No deduction was made for charges that he knew of, but he always understood that the whole of the sums received by Mr Davison were paid in to the Bank. Frequently full details were given of the goods sold.

Mr Cheshire.—Was any memorandum sent in with the cheque shewing on which account, the money had been paid?

Mr Thompson.—On one or two occasions letters were sent in with full details of the goods sold.

Mr Cheshire asked if there were notes of the charges sent with the notes of the sales?—To the best of my knowledge there were not generally. In this one there is an instance of the particulars of details of goods on account of which a cheque for \$2,049.20 is enclosed on Mr Beato's account. Numbers attached appeared to refer to the numbers of the loan.

Mr Dickins.—There is no deduction made there on any account whatever.

Witness.—I have no recollection of receiving any note in reference to charges.

Mr Dickins applied for the production of delivery orders sent previous to June as vouchers.

His Honour ruled they ought to be produced, or some satisfactory reason given for not doing so.

Mr Beato's examination was then continued.—A letter dated 24th February, 1873, from the C. M. Bank was here put in, enclosing forms of note, and of hypothecation and copy of a letter sent to Messrs. Davison & Co. as to the cost of the goods, specifying the charges for interest as 10 per cent, and commission as 1 per cent and asking for the document in relation to the collateral security offered. (Witness) when I arranged with the Chartered Bank I told the manager I must have the goods in my godown or in the custody of my agent; and, to cover any losses I gave my property to the Bank as collateral security. As Mr Davison was my agent the goods were stored by me in his godown, and I told him to put all payments he received in the Banto my credit. I telegraphed home to get the goods, which came every mail. Business became very bad, and I believed I could arrange for my business more favourably with the O. B. C. I therefore went to Mr Robertson, and said I found my people in Paris found some difficulty in doing business with the Chartered Bank; they and I would prefer to transact it through the O. B. C. Mr Robertson consented to my

proposal, and also to give me facilities for storing my goods in any godown I wished. I told him Mr Davison was my agent. Mr Robertson saw him.

His Honour interrupted this as this was the action against the Bank.

Mr Beato said that the jury had not understood his case.

Mr Dickens said that Mr Marks had admitted that the result of this case would settle the other. In any way Mr Beato would have to pay the charges.

Mr Marks said if the Bank had paid the charges he would not have to pay for wrongfully defending an action.

Mr Beato continued: Mr Davison told Mr Robertson he had collected 1,400 or \$1,500 a month in rent for him. At a subsequent period he had to pay C. M. Bank \$45,000, and Mr Robertson advanced that sum on security of \$49,000 worth of goods in Mr Davison's hands. Mr Robertson then asked witness who paid godown rent and duty? Witness told him the Bank would have nothing to pay as he had made an arrangement with Mr Davison to pay everything of that kind and charge it to his "private account." Mr Robertson told him to bring Mr Davison with him to the Bank, and the three would talk the matter over together. Witness said he had other bills coming forward for which he would require loans. "I returned subsequently to the O. B. C. with Mr Davison, and showed Mr Robertson I had about \$30,000 worth of bills coming forward. We considered how the business was to be done, and it was arranged the goods should be delivered to Mr Davison to put in his godown. Mr Robertson then asked distinctly before Mr Davison who had to pay the charges of these goods? I told him "all charges," "will be paid by me. I arrange with Mr Davison to pay all the "charges and insurance myself."

Mr Marks asserted this was contrary to Mr Robertson's evidence.

Witness.—Mr Robertson was satisfied, and business was conducted on that basis. I then wanted to send accounts to Paris, but I never could get any account sales from Mr Davison, though I swear I asked him every fortnight. He always found he had no bookkeeper. The moment he commenced business with me he sent away his bookkeeper. He always made some excuse for not rendering any account sales, though he gave me an account of what he had spent for my private use. At last I asked Mr Grigor to get some one to make out the account for my consignor and he let me have a Portuguese clerk for three months. This man was employed for three months on Mr Davison's books but never made out any account. I was surprised and asked what he was doing here? Mr Davison said I don't know; you brought him here. Mr Grigor paid the man and sent him away. I then said "I cannot go on with you unless you give me my account sales, so that I may know how I stand." The moment I forced him, he promised to get Mr Talbot to give him an account. After a few days he gave me in an account on \$62,000 sales \$28,000 or \$29,000 expenses for godown, rent, assurances, or 50 per cent on the sale of goods. I then said "your account is too much. I have made out my account and find I only owe you those \$30,000 to \$40,000" as my book-keeper had informed me. Mr Davison said he should insist on every penny or go to law. I offered to submit it to arbitration. He refused. I requested him to leave the house, and notified the Bank to allow no more goods to be delivered except by their special delivery order. Before that time there never were any delivery orders signed by the bank, but only orders or vouchers signed by the bookkeeper and delivered to the Chinese compradore. I requested the bank to allow no more to be delivered without special order lest Mr Davison should sell the goods and then say "You owe me so much, and I shall keep the money." Letters on the subject of the arbitration passed between Mr Grigor, Mr Marks and Mr Dickens. I have never refused to pay Mr Davison his fair charges. I have shown his bill to several merchants, who said "if we all pay at this rate, we should be ruined men in a few weeks." When the rupture occurred Mr Davison asked me for the payment of the charges and handed in the account to me. I did not refuse to pay it. I said "it is too great. If I had known you would charge like this I would have cleared the goods two years ago. I had some glass which cost \$4 a case and the charges on it were \$8. Mr Davison never told me he was going to make such charges. We had the verbal commission agreement as mentioned by Mr Grigor yesterday. (The delivery vouchers up to June were here put in). Mr Davison sold very few of the goods. I made the sales myself but if I was at Yedo Mr Davison or the book-keeper would sell. He never introduced any purchasers.

Cross-examined.—The security I gave the O. B. C. represented my entire property, houses, stores &c. Mr Davison was aware of it. He wrote my letters for me. I know I shall have to pay charges some how or other whether the Bank pays now or not. I have \$16,000 to pay, if it is fair, \$100,000 if it is necessary and right. I am not a bankrupt. I agreed with Mr Davison he should pay me a certain

rent for No. 37. I swear it twenty million times—most emphatically. I never agreed he should pay me \$45 a month for each godown on Lot 37. He as my agent kept all my keys—of the godowns and my safe. In the morning my Chinaman may have gone for the keys. I never asked him if he did so. When I first arranged for the transfer to the O. B. C. I went alone. The money received on the godown orders all went to my credit. I sometimes did business with the French and German Banks. All went to the Banks to the exception that I allowed Mr Davison to retain a little money for the payment of duties. I had consignments which were not mortgaged and that money thus retained belonged to me on clean credits, and did not represent any goods under any mortgage. I had \$25,000 to 30,000 consigned to me by Malandrine & Co. I afterwards mortgaged the whole of my goods to the bank, but it also had collateral security. I do not know if the O. B. C. has claimed delivery to part of the goods from Mr Davison & Co. I gave them orders to do so for me.

Mr Dickens admitted that the O. B. C. had done so, but not till after the plaintiffs' account had been sent in.

Mr Marks asserted it was on the 18th of July.

Mr Beato: a part of the goods were in my own store.

Mr Dickens: sworn, deposed.—The first view about this dispute was early in June, though I had heard of it before. In June Mr Beato came to me and said there was a dispute about charges on goods and told me of the proposal made for arbitration; but that he objected to one of the arbitrators, and wanted me to assist him in arranging an arbitration. I said I would, but thought it better that the reference having once been made, it should be carried out without the assistance of lawyers on either side. Shortly after, Mr Davison came to my office. He was a client of mine. We spoke of the dispute. I said as soon as it had been referred to arbitration, I should wash my hands of the whole affair, at the same time I pointed out that from what I heard from Mr Beato the charges seemed to me very high. During the whole of the interview Mr Davison constantly referred to himself as Mr Beato's agent and wanted to know if "Beato thought he was going to work for him, free gratis, and for nothing." There was some difficulty about settling who should be arbitrators. Finally two were agreed upon, and the only question then remaining was the drawing up the deed of submission. With regard to the special terms and the arbitration, the negotiations were first carried on by myself and Mr Davison through Mr Grigor, and finally, I drew up under the latter's instruction (as I understood him to be acting as agent authorized by Mr Davison) a proposal on July 22nd, which was sent in. Accounts were to be made up, actions mutually withdrawn, the propriety of the charges arbitrated, also whether Mr Davison was entitled to a profit on insurance and commission, and whether he was entitled to charge for storage on lot No. 37.

This was accepted with modifications. The question of the consent of the O. B. C. had been discussed by me with Mr Grigor, who assured me he had pointed it out to Mr Davison. Until the termination of the arbitration proceedings Mr Marks apparently regarded the case as one against Mr Beato, and headed his letter of the 27th July in that matter, expressing his clients satisfaction with the proposition made. A draft was sent: I objected as it made the O. B. C. a party to it, and refused to agree to it as its consent to an arbitration was not an agreement to join in that arbitration. Proceedings had been commenced simultaneously, and it was only in consideration of the arbitration that the Bank consented to withdraw their petition. He subsequently went over to Mr Davison's office, with the object of getting the matter settled by arbitration, and suggested if it were he might induce the Bank to refrain from insisting on delivery of the goods till it were and then he would have no difficulty in getting the money. Nor was it necessary for him to insist on his lien on the goods.

Mr Beato here replied to some questions put to him by a Jurymen.

Mr Dickens then proceeded to sum up his case.

The relations between the parties, he contended, conclusively showed that their connexion was that of principal and agent and that in this view the case of the plaintiffs could not be maintained. Mr Davison was regarded in that capacity by the Bank, and all accounts of charges that had been rendered up to 18th July 1874 were rendered to Mr Beato, not to the Bank. That Mr Davison's relation was that of an agent is distinctly borne out by evidence, while in opposition to it there was only his own statement. Mr Dickens then commented on Mr Elder's evidence which he alleged was, in reality, strongly in favour of his clients and, contrasting the testimony of Mr Beato with that of Mr Davison, contended that it evinced a want of straightforward and clear intention. Referring to the question of a lien, he said that in common law godown or storekeepers possess none such; usage or special agreement alone conferring it. All the witnesses had declared that the claim was unprecedented, and not one of them can remember that he has heard of one single instance of charges being paid by a Bank except in case of default. Mr Stransome's evidence proved that



this was not the ordinary usage. Mr Dickens further contended that the plaintiff was not lessee of Lot No. 37, and that the action was for a balance of account, not for charges. He concluded his address by submitting to the jury the various points to be reviewed by them.

Mr Marks, in reply, contended that the Bank had authorised the agency of Mr Davison, and this with the view of preserving the inviolability of their security. Their liability was in this case the result of the loose, negligent character of their letter of instructions to the storer. To state that these letters of hypothecation were "mere forms" was absurd; if they were not valid instruments they would be in every sense worthless. That the Bank was primarily liable was clear. It was certain that they had constituted Mr Davison, agent by their letters, and it was impossible that he could be at one time agent to lender and borrower. Mr Marks concluded by stating that his client had been forced into these proceedings by the hostile action taken by the Oriental Bank.

The Judge, in summing up, said: Mr Davison is in this case the custodian of the goods, entrusted to him by the Bank, and though in certain respects he might be considered the agent of Mr Beato he is primarily that of the Bank and ceases to act as Mr Beato's. The Bank had authorised him formally to store and hold them and this committed them to a liability for charges. Mr Robertson had moreover taken a lively interest in their sale and was made acquainted with all proceedings in connexion with them. The person primarily liable was the person making the agreement, and the person against whom the borrower had legal recourse.

The Jury returned a verdict that the defendants were liable for all charges on the goods stored by their orders, and for charges on the goods transferred from the Chartered Mercantile Bank.

Mr Dickens intimated his intention of appealing.

#### INQUEST.

An inquest was held at the Camp this morning before Russell Robertson, Esq., Coroner, to investigate the cause of death of Henry Hickman, a gunner in the Royal Marine Artillery. Messrs Wylie, Scott, and Henderson formed the Jury.

Dr. Putney deposed being called to visit the deceased on Sunday morning, whom he found fuming at the mouth. He learned on enquiry that he had taken by mistake arsenical soap. He at once administered a vigorous emetic, but the patient gradually sank and expired at 8 o'clock. An examination of the stomach corroborated the fact of poisoning. The deceased was evidently a heavy drinker.

G. Lees, a private on the Royal Marines, stated that the deceased had complained of illness on Sunday morning at an early hour, and had asked him to procure him the assistance of the Doctor. Another soldier testified to having been asked for fire by the deceased who was, at that time, sober.

The verdict of "accidental poisoning" was returned by the Jury.

#### AT THE SAIBANSHO.

Before Mr. OSANI TADAHARU, President.

Monday, October 12th, 1874.

LIBERMANNS *versus* MITZU'S BANK.

This case was again brought before the Court this afternoon, and Karada Sinju the interpreter who was present at the Bank, on the 22nd August, was examined. He said:—I was present when Mr Liebermann came to the bank on the 22nd of August. Mr Liebermann told us to make haste. I told him we could not discount 680,000 yen in one day. Mr Liebermann said no one wanted us to discount 680,000, but 61,000. It was then discounted.

Mr Liebermann denied speaking to this witness after asking him to change the money.

Cross-examined by Mr Ness:—I know nothing about the request made by Mr Liebermann on the 12th.

Cha Chow. Mr Liebermann's compradore's assistant:—I have been several times to the Mitsui Bank to change *sats*. I went in the name of Mr Liebermann by the orders of the head compradore.

The Court here asked Mr Ness if his client could tell how often he had sent this witness to the Bank with *sats*.

Mr Ness said his client never sent witness but perhaps the compradore had sent him without Mr Liebermann's knowledge.

Ah Yen, who has been kept by the Court, was examined for the third time. He made a statement which, upon the whole, was the same as his previous evidence.

Keiki Koushi, the watchman who has been detained by the Court, was again examined, but he contradicted himself so often that his evidence was not admitted.

This closed the case, and judgment will be given to-morrow, when Mr Ness will give his address at 10 A.M. The detained witnesses were discharged.—*Gazette*.

#### JAPANESE ASSASSINATIONS.

(*Alta California*, Sept. 19th.)

We fear that the fanaticism which exists among certain sects of Japanese will prove the seed of a miserable crop of international complications, if not of war itself. A portion of the people of Japan belong to the progressive classes, as so many of them have shown by their ardent pursuit of information, not merely that which their own country and schools could furnish, but what they were convinced could be so much more readily obtainable in foreign countries. Many of them have passed through this city, on their way to our public institutions of learning, in the Eastern States and in Europe; or on their return, after having partly or entirely completed their course. No nation has ever given, in so short a time after the doors were opened to them, so great promise of progress in literature, science, the arts and customs of civilized life, and the pursuit of trade and business generally with the world. It has generally been felt and believed that the Government of Japan has been in accord with these expressions of sentiment in the acts of its subjects; that it was and is an enlightened Government, ambitious of national fellowship.

But not all the people of Japan are thus. There have always been in Japan, parties strong enough at times to direct the course of the Government, who hate all foreigners and all things foreign. They long for a return of the times when Japan was sealed to the world, and non-intercourse was the rule, rigidly enforced. But worse even than civilians, thus governed by prejudice, are those religious sects who believe in the old ecclesiastical traditions of their country, who believe in their idols of wood and copper and clay, as being real gods, or representatives of gods of good or evil and able to propitiate them. More credulous, if possible, than our own most ardent believers in "Katie King" and similar impostures, they indulge in most ridiculous imaginings—believe that their divinities appear to them in dreams and visions, and that the commands of such imaginary deities, however absurd or cruel, must be by their believers performed. And this they do with a faith as firm as that of those who in Hindostan, throw themselves beneath the car of the Juggernaut, or into the sacred waters of the river. They do the deed willingly, and are ready to pay the penalty, whatever it may be.

Of this undoubting faith we have an instance related in the latest letters from that country. A representative of a foreign country, a German Consul, is met on the road where he and other foreigners were accustomed to take exercise, by one of these insatiable religious enthusiasts, and in obedience, as he undoubtedly believed, to the commands of his deity, the Japanese attacks and slays him. It is difficult, perhaps, to fully appreciate the condition of a religious devotee's mind who thus, without any cause or reason except what he supposed the command of his god, could take the life of a man whom he knew not, and without any prospect of doing any earthly good. And what is to come of it? The German Government will not very readily accept an explanation that the deed was simply the act of religious fanaticism. It will demand not only indemnity for the outrage, but guarantees for the future. And other civilized nations more than likely will join Germany in such demands. The lives of their representatives are not worth a moment's insurance if the Japanese worshippers of devils and devilish prejudices may thus accept dreams as decrees from Heaven.

It is plain enough that every Government which maintains commercial and diplomatic relations with Japan has a deep and immediate interest in this question. Our own Government is no exception. Had that Samourai met our own Consul-General, Van Buren, or our Minister, Bingham, it would have been the United States that would have had the case to settle; for that Japanese would have assassinated either of them, being foreigners, as readily and relentlessly as he did Mr. Haber. The case would appear very different were he simply an insane person, for then we probably should not have such reason to anticipate repetitions; but this man was a fanatic, one of a numerous class of religious bigots, whose kind, although of different faiths, are apt to be found in other countries, but happily are under more healthy restraints; and repetitions of horrible deeds may very likely be repeated unless very stringent measures shall be adopted. And in fact, these heathenish creeds must be done away with before the dangers of similar outrages will pass away.



## Shipping Intelligence.

## ARRIVALS.

Oct. 12. *New York*, Japanese steamer, Furber, 2,117, from Hiogo, October 9th, General, to Japanese.  
 Oct. 12. *Golden Age*, American steamer, Wise, 1,870, from Shanghai and Ports, General, to P. M. S. S. Co.  
 Oct. 12. *Vancouver*, British steamer, Shaw, 2,200, from San Francisco, September 19th, Mails and General, to P. M. S. S. Co.  
 Oct. 13. *Nevada*, American steamer, Coy, 2,145, from Hongkong, October 4th, Mails and General, to P. M. S. S. Co.  
 Oct. 13. *Sin Nausang*, British steamer, Drago, 722, from Hiogo, October 10th, General, to Jardine, Matheson & Co.  
 Oct. 13. *Romeo*, British barque, Thomas, 610, from Sydney, N. S. W. September 1st. Coal, to James C. Fraser.  
 Oct. 15. *Laju*, British ship, Scott, 560, from Nagasaki, Coals, to P. M. S. S. Co.  
 Oct. 15. *Pride of the Thames*, British barque, Brown, 379, from Nagasaki. Coals, to E. C. Kirby & Co.  
 Oct. 16. *Menam*, British barque, Osmont, 648, from Pembroke. May 6th, Coal, to Hudson. Malcolm & Co.  
 Oct. 16. *Caudor Castle*, British steamer, Cowie, 2,200, from Shanghai, October 11th, General, to Adamson, Bell & Co.  
 Oct. 17. *Delphin*, German 3-masted schooner, Lienthal, 246, from Takow, September 16th, Sugar, to Chinese.  
 Oct. 17. *Volga*, French steamer, Nomdedeu, 960, from Hongkong, September 8th. Mails and General to M. M. Co.  
 Oct. 17. *Novelty*, British barque, Limme, 376, from Newcastle, N. S. W. September 3rd, Coal, to Wilkin & Roberson.

## DEPARTURES.

Oct. 12. *Oriana*, British steamer, Pockley, 1,119, for Hakodate, General, despatched by P. & O. Co.  
 Oct. 13. *Menzaleh*, French steamer, Pasqualini, 1,008, for Hongkong, Mails and General, despatched by M. M. Co.  
 Oct. 14. *China*, American steamer, Philip, 3,838, for San Francisco, Mails and General, despatched by P. M. S. S. Co.  
 Oct. 14. *Vancouver*, British steamer, Shaw, 2,200, for Hongkong, Mails and General, despatched by P. M. S. S. Co.  
 Oct. 14. *D'Estrées*, French Corvette, Joucha, 1,200, for Nagasaki.  
 Oct. 15. *Golden Age*, American steamer, Wise, 1,870, for Shanghai and Ports, General, despatched by P. M. S. S. Co.

## PASSENGERS.

Per Japanese steamer *New York* from Hiogo.—Messrs. Crombie, E. Durney, F. Fisher, and M. Crshaw.  
 Per British steamer *Vancouver*, from San Francisco:—Messrs G. S. Harris, M. Onodea, F. V. Cruikshank, T. White, V. Duma, H. Ratti, J. MacFarlane, Kirkwood and wife, P. A. Roeber, F. A. Goddard and wife, J. Rosseter, J. S. Whitengre, Richard Serain, A. Lemmer, E. Schmidt, A. Alexander, and J. M. Goddard. For Shanghai:—Mrs E. Blithen and 5 children, Miss A. Chambers, Mr M. H. Cork, Mr E. B. Drew and wife, and Mr Kay Young. For Hongkong:—Mr E. Gibson, Messrs W. H. Lent, C. Koopmanschupp, E. T. Munroe, A. Nelson, Captain Shackford and wife, and T. D. Curry.  
 Per American steamer *Golden Age*, from Shanghai:—Messrs C. Wiggins, E. Abbott, Mr and Mrs Korthals, Major Kinder and wife, Mrs Geo. B. Glover, Mr and Mrs Deakmare and child, K. Sardins, D. H. McDonald, Dr Sheyst, 3 Japanese officers, and 25 in the steerage. For San Francisco:—Mr J. J. de Emperanza, Lieut. T. Wood, U.S.N., Mrs McLellan, K. Boyson, T. Kaimor, Captain Lindholm, and 3 in the steerage. For New York:—Mrs M. A. Bel and child, Mrs F. Deville and 2 children, Miss E. Storm, Mr and Mrs O. Hara and 4 children, and 2 in the steerage.  
 Per French steamer *Menzaleh*, for Hongkong:—Messrs H. E. Aoki, H. E. Uwyeno, Kawashima, Tashabashi, Nakai, Tatsuta, J. Hoshi, Suzuki, Mioura, Nakamina, Houda, Koizumi, Dickmann, wife and servant, Rosenthal, D. A. Crombie and servant, Joanny Chazaleh, A. Begnotti, Perreri, Imberti, Fondra, Bolmida, Bourjaux, Danot, Culty, Brottonniere, Joussaint Faure, Barnaud, and 14 seamen.  
 Per American steamer *China*, for San Francisco:—Messrs Albire L'Eausse, Humeau, Dr Semys, Mrs H. O. Hara and 4 children, Mrs M. A. Bell and child, Miss E. Stum, F. H. Deville, R. W. B. McLellan, Captain Lindholm, J. Kamer, C. O. Shepherd, Hayward and servant, Mrs Bryne, N. W. Stavey, L. W. Pilcher, R. Bryson, J. J. de Esperanza, Lieut. J. D. Wood, J. Korner, and General Myers.  
 Per British steamer *Vancouver*, for Hongkong:—S. P. Bhabba and servant, T. K. Bannja and servant, Mrs Glover, Miss Happer, and D. Nowrojee.  
 Per French corvette *D'Estrées*, for Nagasaki, (the gentlemen appointed to observe the transit of Venus):—Dr and Mrs Jansen, Messrs Delacroix, Tisserand, Arentz, Picard, Vincent, Vacher, Michard, Mercier, and Chénigon.  
 Per American steamer *Golden Age*, for Shanghai and Ports.—Mrs Sheppard, child and servant, Mrs and Miss Chalmers, Mrs Blithen, Captain W. R. Stone, Mr and Mrs Woolley, Mr and Mrs Hayler, Messrs Robertson, E. B. Drew, and wife, Miss Talcott, Messrs W. M. Smith, Frank Fisher, H. Evans and wife, W. Miller, J. Oastler, C. Van Doorn, W. Ann, M. H. Cook, B. H. Burns, F. D'Almeida, Arentz, Drs J. C. Berry and Zivemgan, and 6 Japanese in the steerage.  
 Per French steamer *Volga*, from Hongkong:—M. Voight and wife, Messrs Garan, Kumagai, Nakayama, Argineau, Oriente, Kurayama, and Delcor.

## CARGOES.

Per French steamer *Menzaleh*, for Hongkong:—

Silk ... .. 718 bales.  
 Silk-worms' Eggs ... .. 1,085 cards.

## REPORTS.

The British steamer *Vancouver* reports: moderate and fresh northerly winds during the passage.  
 Per American steamer *Nevada* from Hongkong.—Mr. R. W. D. Newman, and one in the steerage, and 249 steerage passengers for America.  
 The British ship *Laju* reports: left Nagasaki on the 3rd instant, and experienced moderate and fresh winds down to Chichakoff, afterwards strong N. E. winds and a heavy sea running. After passing Rock Island on the evening of the 13th; met with a fresh breeze from S.W. on the 14th, and arrived here at 8 a.m. on the 15th.  
 The British barque *Pride of the Thames* reports: left Nagasaki on the 26th of September, experienced light northerly winds down to Van Dieman Strait. From the 29th ultimo till the 4th instant, had strong N.E. to N.W. winds with a heavy sea running at times. On the 5th, while under storm sails, a Chinese seaman fell from the main top gallant yard to the deck and was killed; he was buried the next day,—the gale continued till the 7th. From the same day till the 14th, had light northerly winds with strong westerly current, and arrived in port at 8.30 a.m. on the 15th instant.  
 The British steamer *Caudor Castle* reports: experienced fresh northerly winds from Shanghai to Van Dieman Straits; thence to Yokohama had variable and clear weather. On the 10th inst. off at 7 p.m., passed the French mail steamer bound South.  
 The British steamer *Muriel* went on a trial trip down the Bay yesterday afternoon.  
 The French steamer *Volga* reports: experienced fresh breezes from N.E. all the way from Hongkong.

The British barque *Novelty* reports: had a heavy gale on the 6th of October, in which one of her boats got stove in, and a chain plate was carried away. The latter part of the voyage had fine weather. The barque *Havilah* was expected to leave Newcastle the day after the *Novelty*.

The British barque *Menam* reports: after leaving the Bristol Channel on the 16th of May, had moderate and variable winds as far as the Cape. Running the easting down in Lat. 41 deg. S. and Long. 59 deg. E., encountered a severe cyclone, during which had boats stove in, skids and casks washed away with other damage—gale lasting 24 hours; afterwards to Anjer had S.E. winds, passing on the 30th of August. Thence to Formosa had light and variable winds and calms. Off the South end of Formosa on the 29th of September, encountered another typhoon with heavy sea running, washed away water casks, overboard, hen coops and part of the bulwarks. Bar. fell to 28.30. September 30th, the wind moderating had Northerly and N.E. winds to Rock Island, and anchored here by the light ship on October 16th at 2 a.m.

The German 3-masted schooner *Delphin* sailed from Takow on the 15th September on the 18th put into Amoy a heavy N. E. gale blowing. Left again on the 20th and next day encountered a heavy N. E. gale which lasted till the 23rd; during the time had several sails blown away. Wind veering to S. E. with a cross sea running, the gale kept on till 26th and then moderated. During the remainder of the voyage had moderate and fresh Northerly and Easterly winds with fair weather. Passed Rock Island on the 15th and anchored here at 2 p.m. of the 16th.

## VESSELS ON THE BERTH.

Destination.	Name.	Agents.	Despatch.
Hongkong ...	Massilia ...	P. & O. Co ...	20 instant
New York ...	New Republic...	Mourilyan, Heilmann & Co.	instant

## VESSELS EXPECTED.

## S A I L E D .

FOR CHINA PORTS, WITH GOODS FOR JAPAN.

FROM LONDON VIA SHANGHAI.—"Galley of Lorne."

FROM LIVERPOOL.—

FOR JAPAN DIRECT.

FROM LONDON, FOR YOKOHAMA.—"F. C. Clarke".

FROM LONDON, FOR YOKOHAMA AND HIOGO.—"Suffolk";

"Denbighshire"; "Laural"; "Carnarvonshire"; "Penrith."

FROM LIVERPOOL, FOR YOKOHAMA AND HIOGO.—"Montego."

FROM GLASGOW.—

FROM SHIELDS.—"Ariantes"

FROM CARDIFF.—"Earl of Dufferin";

FROM NEW YORK.—"Chas C. Leary"; "Chattanooga."

FROM BURYPORT.—"Miriam."

FROM SWANSEA.—"Argonaut." "Caspar."

FROM HAMBURG.—"Progress"; "La Plata."

## L O A D I N G .

AT LIVERPOOL FOR CHINA PORTS.—"Agamemnon."

AT LONDON Do.—"Braemar Castle" str.; "Caw-

dor Castle" str.; "Glencarn" str.

AT LONDON, FOR YOKOHAMA, HIOGO &c.—"Penedo" str.

AT LONDON, FOR YOKOHAMA AND HIOGO.—"Black Prince";

"Evelyn."

AT LONDON, FOR YOKOHAMA.—

AT LIVERPOOL, FOR YOKOHAMA AND HIOGO.—"Mora."

AT LIVERPOOL, FOR YOKOHAMA.—

AT HAMBURG FOR YOKOHAMA AND HIOGO.—"Mathilde."



MERCHANT SHIPPING IN PORT.

			STEAMERS.			Destination.	
Cawdor Castle	..	...	Cowie	...	...		
Massilia	...	...	Bernard	...	...	Hongkong	
Menzaleh	...	...	Pasqualini	...	...	Hongkong	
Muriel	...	...	Hyde	...	...		
Naruto	...	...	DuBois	...	...		
Nevada	...	...	Coy	...	...		
Sin Nauzing	...	...	Drage	...	...		
Tanais	...	...	Reynier	...	...	Hongkong	
Volga	...	...	Nomdedeu	...	...	Hongkong	
Yen Tai	...	...	Gibson	...	...		

### SAILING SHIPS.

Delphin	...	...	246	Lilienthal	...	...
Hokaido	...	...	104	Scherell	...	...
John Milton	...	...	618	Murphy	...	...
Iaju	...	...	560	Scott	...	...
Menam	...	...	468	Osmont	...	...
Myrtle	...	...	35	Poley	...	...
New Republic	...	...	580	Reynolds	...	New York
Novelty	...	...	376	Limme	...	...
Pride of the Thames	...	...	379	Brown	...	...
Romeo	...	...	640	Thomas	...	...
Snow-drop	...	...	95	Brodhurst	...	...
Victor	...	...	634	Hastorf	...	...

VESSELS OF WAR IN HARBOUR.

H. B. M.'s gun-boat	Kingdore	...	Captain Singleton
U. S. corvette	Lackawanna	...	Captain McCauley
German frigate	Elizabeth	...	Captain Livonius
Italian corvette	Vettor Pisani	...	Captain Alberto de Negri
Russian corvette	Askold	...	Admiral Brumeranstoff
Russian corvette	Bogatyr	...	Captain Schaffroff
Russian corvette	Gaidamak	...	Captain Tirtoff
Russian corvette	Vladnick	...	Captain Norovskilsky
French Iron-clad	Montcalm	...	Captain Lespès

NEXT MAIL DUE FROM

	Per	Date
HONGKONG AND EUROPE.....	M. M. Str.	Oct. 28th
AMERICA.....	P. M. S. S.	
HONGKONG AND EUROPE.....	P. & O. Str.	Oct. 21st
SHANGHAI, HIOGO & NAGASAKI	P. M. S. S.	
HAKODATE.....	P. M. S. S.	

NEXT MAIL LEAVES FOR

	Per	Date
HONGKONG.....	P. M. S. S.	
HONGKONG AND EUROPE.....	M. M. Str.	Oct. 27th
HONGKONG AND EUROPE.....	P. & O. Str.	Oct. 20th
SHANGHAI, HIOGO & NAGASAKI	P. M. S. S.	Oct. 22nd
AMERICA.....	P. M. S. S.	

IMPERIAL GOVERNMENT RAILWAYS.

*Trains leave Shinbasi (Yedo) at the following hours :—*

A.M.	A.M.	A.M.	A.M.	NOON.		
7.0	8.15	9.30	10.45	12.0		
F.M.	P.M.	P.M.	P.M.	P.M.	P.M.	P.M.
1.15	2.30	3.45	5.0	6.15	7.30	10.0

*Trains leave Yokohama at the following hours:—*

A.M.	A.M.	A.M.	A.M.	NOON			
7.0	8.15	9.30	10.45	12.0			
P.M.	P.M.	P.M.	P.M.	P.M.	P.M.	P.M.	P.M.
1.15	2.30	3.45	5.0	6.15	7.30	10.0	

CHURCH SERVICE.

English Church, ..... 9 A.M. 11 A.M. 5.30 P.M.

American, at No. 38,..... 11 ,  
French Church,.....8.30 ,, 10 A.M.

TH "JAPAN MAIL."

*A Daily, Weekly and Fortnightly Journal.*

### TERMS OF SUBSCRIPTION

DAILY Edition, \$12 per annum.  
WEEKLY Edition, Per annum, \$24; Six months, \$13; Three months, \$7.  
FORTNIGHTLY Edition, a summary of the foregoing, is published for transmission by the American Mail Steamers via San Francisco. Per annum, \$12; Six months, \$7; Three months, \$4.

AGENTS OF THE PAPER.

LONDON..... G. Street, 30, Cornhill.  
 " Bates, Hundy & Co., 4, Old Jewry.  
 NEW YORK..... A. Wind, 133, Nassau Street.  
 SAN FRANCISCO.... White & Bauer, 413, Washington Street.  
 HONGKONG..... Lane, Crawford & Co.  
 SHANGHAI..... Kelly & Co.  
 HIOGO & OZAKA... F. Walsh & Co.  
 NAGASAKI..... China & Japan Trading Co.

who are authorized to receive Subscriptions and Advertisements for these Papers.

**SUN FIRE OFFICE.**  
LONDON.

ESTABLISHED 1710

THE Managers of the Sun Fire Office have constituted and appointed the Undersigned as their Attorneys, to issue POLICIES of INSURANCE against FIRE, on BUILDINGS, MERCHANDISE, and other property in this settlement and on SHIPS in harbour, to the extent of \$20,000 on first class risks, and to adjust Claims which may accrue on the same.

WILKIN &amp; ROBISON

Yokohama, October 10, 1871.

## METEOROLOGICAL OBSERVATIONS

LATITUDE.  $35^{\circ} 25' 41''$  North.

LONGITUDE.  $139^{\circ} 39' 0''$  East

## OBSERVATIONS TAKEN AT 9 A.M. LOCAL TIME

Day of Week.	Day of Month.	Hygrometer.								Wind.	During past 24 hrs.					
		Barometer.	Attached Thermometer.	Dry bulb.	Wet bulb.	Dew Point.	Elastic force of Vapour.	Humidity 0—1.	Direction.	Force in lbs. per sq. ft.	Cloud. 0—10.	Max. in air.	Min. in air.	Mean in air.	Rain in inches.	Ozone.
Sat. ....	Oct. 10	29.95	64.5	63.5	61.0	59.5	.508	.868	Calm.	.00	0	67.5	50.5	59.0	.00	3.
Sun .....	" 11	29.83	65.0	64.0	60.5	58.3	.488	.818	N.	.66	8	68.5	53.5	60.7	.00	3.
Mon .....	" 12	29.96	61.5	57.5	53.0	49.4	.352	.743	N.	.21	10	65.0	53.0	59.0	.03	3.
Tues .....	" 13	30.13	61.0	62.0	58.0	55.3	.437	.786	N.N.W.	.10	8	62.0	48.5	55.2	.00	1.
Wed .....	" 14	30.08	64.5	64.0	61.5	60.0	.518	.869	Calm.	.00	9	66.5	54.0	60.2	.00	3.
Thurs .....	" 15	29.91	66.0	65.5	62.0	59.5	.510	.829	N. E.	.53	9	69.0	59.0	64.0	.26	3.
Fri .....	" 16	30.05	60.0	57.5	54.0	51.5	.379	.798	N.	.10	10	67.5	52.5	60.0	.00	2.
Mean .....		29.98	63.2	62.0	58.5	56.2	.450	.815		.22	7	66.5	53.0	59.7	.4	2.

J. H. SANDWITH, — *Lieut.*,  
R. M. L. I.

CAMP, Yokohama, October 16th, 1874.

## COMMERCIAL INTELLIGENCE.

It has several times been reported that the market for cotton goods is somewhat better request and in diminished supply rates have ruled higher. Stocks are reported smaller though the arrival of the *Cawdor Castle* may be presumed to have added considerably to them. *Taffachelass* is very firm, and bargains for forward delivery are declined. The value of *Velvets* has been somewhat lower in anticipation of arrivals, and though stocks are small the market closes easier. No other goods call for remark.

## IMPORTS.

**Cotton Fabrics.**—*Shirtings* being in somewhat better request and in diminished supply rates have ruled higher. Stocks are reported smaller though the arrival of the *Cawdor Castle* may be presumed to have added considerably to them. *Taffachelass* is very firm, and bargains for forward delivery are declined. The value of *Velvets* has been somewhat lower in anticipation of arrivals, and though stocks are small the market closes easier. No other goods call for remark.

Grey Shirtings:—			White Shirtings:—		
7 lbs.	38½ yds. 36 in. per pce.	\$2.00 to \$2.17½	56 to 60 reed 40 yds. 36 in. nom	per pce.	2.40 to 2.50
8 lbs.	38½ yds. 36 in. " "	2.40 to 2.60	64 to 72 "	" "	2.70 to 2.95
8 lbs. 4 to 8 lbs.	6 " 39 in. "	2.40 to 2.65	Turkey Reds 25 yds. 30 in. 2½—3 lb.	per lb.	0.85 to 1.00
9 lbs.	" 41 in. "	2.92½ to 3.15	Black Velvets...	" "	9.00 to 10.50
Taffachelass Single	" " "	2.70 to 3.00	English Drills...	" "	3.25 to 3.50
			Canras, Navy, Red Stripe	" "	7.50 to 8.50

**Yarns.**—The market is dull. Sales are small and previous rates have been barely maintained during the closing week.

No. 16 to 24	per picul.	\$4.00 to \$8.75
No. 28 to 32	per picul.	\$8.00 to \$8.50

No. 28 to 32	per picul.	\$37.00 to 40.00
" 38 to 42	small stock nom.	\$42.00 to 47.00

**Woollen Fabrics.**—The demand for Woollens still continues good, but as stocks of suitable kinds are reduced, transactions amount to nothing very important. *Mousselines* are pretty scarce, prices all round well maintained.

Plain Orleans	40—42 yds. 32 in.	5.90 to 8.10	Figured Mousseline de Laine	30 yds. 30 in.	0.28 to 0.32
Figured Orleans	30—32 yds. 31 in.	4.50 to 5.50	Multicolored	30 yds. 30 in.	0.30 to 0.40
Italian Cloth	30 yds. 32 in.	0.25 to 0.36	Cloth, all wool plain or fancy	48 in. to 53 in.	1.00 to 1.10
Camlet Combs	29—30 yds. 32 in.	6.25 to 7.40	Presidents	54 in. to 56 in.	0.67½ to 0.80
Camlets Assd.	56—58 yds. 31 in.	18.50 to 19.00	Flots	54 in. to 56 in.	0.45 to 0.55
Castings Japan	25—30 yds. 32 in.	\$14.00 to 16.00	Union	54 in. to 56 in.	"
Plain Mousseline de Laine	30 yds. 30 in.	0.19½ to 0.21	Blankets, scarlet & green 7 to 8 lbs.	per lb.	0.45 to 0.47½
" nail rod	" " "	4.25 to 4.50	Lead wire	per picul.	\$38.00 to \$40.00
" hoop	" " "	4.60 to 4.70	" pig	" " "	2.36 to 2.40
" sheet	" " "	4.50 to 5.30	Lead	" " "	7.00 to 7.50
			Tin Plates	" " "	8.00 to 9.00

Sugar:—Formosa in bag	per picul.	4.65 to 4.80	China No. 4 Koek-fah	per picul.	6.60 to 7.10
" " "	"	"	" No. 5 Kong-fuw	"	5.8 to 6.50
China No. 1 Ping-fuh	"	8.80 to 9.50	" No. 6 Hsiao	"	4.40 to 5.00
" No. 2 Ching-fuh	"	7.80 to 8.10	Swatow	"	3.10 to 4.20
" No. 3 Ke-jak	"	7.30 to 7.60	Japan Rice	"	"
			Kerosine Oil	"	3.35 to 3.45

## EXPORTS.

**Silk.**—Since the 10th instant arrivals are 470 bales, and settlements nearly as much. Prices are fully maintained at previous rates with a rather upward tendency.

**Silk-worms' Eggs.**—Total arrivals since the beginning of the season are 1,540,000 cards against 634,200 last year at the same date.

The destruction by fire of a portion of the stock commenced on the 9th instant, since that date to the 16th the quantity thus destroyed is admitted by the Japanese to be 300,000 cards; some say only 250,000. The total quantity intended to be burned is variously reported to be from 600,000 to 800,000 cards.

During the past week business has been almost entirely suspended, holders being generally unwilling even to name a price for their goods; some, however, are disposed to sell good *Shichu* and *Oshu* at from \$0.40 to \$0.65.

Total settlements are probably under 500,000 cards.

300,000	217,142	Laid down and sold in London.
		Ex. 6mos. at 4s. 2½d. & Lyons, 5.36.

Best (No. 1/2) 570 to 590	21s. 9d. to 22s. 5d.	frs. 60 to 66	Medium (No. 24) 510 to 530	19s. 8d. to 20s. 4d.	frs. 54 to 57
Good (No. 2) 540 to 560	20s. 8d. to 21s. 4d.	frs. 57 to 60	Common No. 3	480 to 500	18s. 7d. to 19s. 3d.

**Tea.**—Business continues rather limited and prices so far shew little or no alteration. Some few parcels of fine grades have attracted buyers, but on the whole the settlements for the week do not exceed piculs 2,300.

Arrivals amount to nearly piculs 1,800, and there is evidently a further supply in the country from which this market is fed, the bulk of which will be forced on buyers should any signs of a determination to abstain from purchases be exhibited.

The prices asked for the lower grades continue out of all proportion with relative value, and this season's Medium and lower grades have so far been the dearest and worst purchases effected.

Common	\$27.00 to 29.00	Fine	\$48.00 to \$46.00
Good Common	31.00 to 34.00	Finest	48.00 to 51.00
Medium	35.00 to 38.00	Choice	55.00 upwards
Good Medium	38.00 to 41.00	Choicest	None.

## EXCHANGE AND BULLION.

**Exchange.**—Since the departure of the American Mail on 14th instant rates have remained steady with a very limited business.

**Gold Yen** have also been steady with scarcely any buyers. **Satz** have somewhat advanced.

Rates close as follows:—		On Hongkong Bank Bills on demand ½ per cent discount.	
On London, Bank, 6 Months	4s. 2½d.	" Private Bills 10 ds. eight ½	"
" " Sight	4s. 1½d.	" San Francisco Bank Bills on demand 101½	"
" " Private, 6 months	4s. 2½d. to 3d.	30 days' eight Private	108
" Paris, Bank Bills 6 months	5.82	" New York Bank Bills on demand	101½
" " Private	5.87 to 8	30d. s. Private	103
" Shanghai Bank Bills on demand	72½	Gold Yen	411½
" Private Bills 10 days eight	73½ nominal.	Kinsats	413





## INSURANCE.

## The Chinese Insurance Company (LIMITED.)

CAPITAL 1,500,000 DOLLARS, IN 1,500  
SHARES OF 1,000 DOLLARS EACH.

Paid-Up Capital, 300,000 Dollars.

**MARINE POLICIES** Granted to all parts of the  
World, at Current Rates.

The Brokerage allowed by this Company on the Premia  
on Risks to Ports West of Singapore is TEN per cent.  
(10 per cent). On all other Insurances, a Brokerage of  
THIRTY and ONE THIRD per cent. (33 1/3  
per cent.) on the Premia is allowed.

In addition to the Brokerage, SIXTY-SIX and TWO-  
THIRDS per cent. (66 2/3 per cent.) of the Profits of the  
Company will be distributed Annually among all Contrib-  
utors, whether Shareholders or not, proportionately to  
the amount of Premia paid by them. The distribution, as  
a Bonus to Contributors, for the year ending 31st Decem-  
ber, 1873, was upwards of TWENTY-THREE per cent.  
(23 per cent.) on the premia.

MOHAMMAD EDWARD FISCHER & Co.,  
Agents.  
Yokohama, July 1, 1874. 3ms.

## The Scottish Imperial Insur- ance Company.

LONDON.—2, King William Street.  
GLASGOW.—50, West George Street.

**For Fire, Life and Annuities.**  
AT HOME AND ABROAD.

**REDUCED RATES** of Life Premium for Assurance  
in Japan.

EDWARD FISCHER & Co.,  
Agents.

Yokohama, September 11, 1874. 3ms.

## Guardian Fire and Life Assurance Company.

LONDON  
ESTABLISHED 1821.

Total Invested Funds.....£2,780,000  
Total Annual Income.....£ 360,000

**THE** Undersigned having been appointed Agents  
at Yokohama are prepared to Issue Policies AGA-  
INST FIRE, on the usual Terms.

Concurrent Insurances require endorsement on the  
Policies of this Company only when specially called for  
by the Agents.

SMITH, BAKER & Co.

Yokohama, October 27, 1873.

## INSURANCE.

## London and Lancashire Fire Insurance Company.

**THE** UNDERSIGNED having been appointed  
Agents for the above-named Company at this Port,  
are prepared to issue Policies of Insurance AGAINST  
FIRE at Current Rates.

GILMAN & Co.,  
Agents.

Yokohama, February 27, 1874.

6ms.

## NORTHERN ASSURANCE COMPANY.

**FIRE AND LIFE.**

**THE** undersigned are prepared to accept Fire and  
Life risks on behalf of this Company and settle all  
claims thereon.

STRACHAN & THOMAS.

Yokohama, January 19, 1872.

## North China Insurance Company.

**NOTICE** is hereby given that Mr. Wm. G. BAYNE  
has been appointed Agent at Yokohama, and  
is authorized to sign Policies of Insurance and ge-  
nerally transact the business of the above Company at  
that Port on and after the 1st January, 1873.

The Offices of the above Company have been opened  
on the Premises of Messrs D. SARGENT & Co,  
No 75.

By order of the Court of Directors.

HERBERT S. MORRIS,  
Secretary.

Shanghai, December 19, 1872.

## Scottish Commercial Insurance Company.

Capital 1,000,000 Sterling.

**THE** Undersigned have been appointed Agents for  
Yokohama, and are prepared to issue Fire Po-  
licies to the extent of \$10,000 on each risk.

FINDLAY, RICHARDSON & Co.

Yokohama, July 12 1871.

## The Phoenix Fire Insurance Company,

ESTABLISHED 1782.

**The Manchester Fire Insurance  
Company,**  
ESTABLISHED 1824.

**THE** UNDERSIGNED are authorized to issue Po-  
licies for large amounts, on Buildings and Contents  
in the Foreign Settlement, or on the Bluff, at current  
rates of premium.

KINGDON, SCHWABE & Co.,  
Agents, No. 89, Yokohama.

Yokohama, June 3, 1874.

## MISCELLANEOUS.

## Hongkong &amp; Shanghai Banking Corporation.

Paid-up Capital.....5,000,000 Dollars.  
Reserve Fund .....1,000,000 Dollars.

## COURT OF DIRECTORS.

Chairman—W. H. FORBES, Esq.

Deputy Chairman—HON. R. BOWETT, Esq.

AD. ANDRE, Esq. J. F. CORDES, Esq.  
E. R. BELLIOS, Esq. W. LEMANN, Esq.  
A. F. HEARD, Esq. THOMAS PYKE, Esq.

S. D. SASSOON, Esq.

## CHIEF MANAGER.

HONGKONG.....JAMES GREIG, Esq.

## MANAGERS.

SHANGHAI.....EWEN CAMERON, Esq.  
YOKOHAMA.....T. JACKSON, Esq.  
LONDON BANKERS—LONDON AND COUNTY BANK.

## BRANCHES AND AGENCIES.

HONGKONG. FOCHOW.  
SHANGHAI. HANKOW.  
YOKOHAMA. HIOGO.  
BOMBAY. AMOY.  
CALCUTTA. SAIGON.

## YOKOHAMA BRANCH.

## INTEREST ALLOWED.

ON Current Deposit Accounts at the rate of 2 per cent. per Annum on the daily balance.

## ON FIXED DEPOSITS:—

For 3 Months.....3 per cent. per Annum.  
" 6 " .....4 per cent. " "  
" 12 " .....5 per cent. " "

## Local Bills Discounted.

CREDITS granted on approved Securities, and every description of Banking and Exchange Business transacted.  
DRAFTS granted on London, and the Chief Commercial places in Europe, India, Australia, America, China and Japan.

HERBERT COPE,  
Acting Manager.

Yokohama, May 1, 1874.

# HARRISON & SONS,

EXPORT & GENERAL STATIONERS.

ACCOUNT BOOK MANUFACTURERS,  
DIE SINKERS,  
SEAL ENGRAVERS,  
RELIEF STAMPERS AND ILLUMINATORS,  
LETTER PRESS, LITHOGRAPHIC AND COPPERPLATE PRINTERS,  
BOOKSELLERS AND PUBLISHERS,  
BY SPECIAL APPOINTMENT TO H. M. THE QUEEN,  
H. R. H. THE PRINCE OF WALES,  
THE ROYAL FAMILY,  
AND HER MAJESTY'S GOVERNMENT OFFICES.

An Illustrated Catalogue, with Samples of  
Paper, Specimens of Stamping, &c.,  
Sent on Application.

HARRISON & SONS,  
59, Pall Mall & 1, St. James' Street,

Printing } 45 & 46, St. Martin's Lane, Charing Cross,  
Offices } 15 & 16, Gt. May's Buildings, London.

Yokohama, May 10, 1874.

26ins.

## MISCELLANEOUS.

## LOST.

## From on Board the "Vancouver," A TRUNK,

WITH A YELLOWISH COVER,

Believed to have been delivered by mistake to a fellow  
Passenger, who will kindly communicate with the

## OFFICE OF THIS PAPER.

Yokohama, October 14, 1874.

## Reuter's Telegram Company, (LIMITED.)

THE Undersigned is prepared to receive messages for  
transmission to any part of the World to which  
there is telegraphic communication from Japan. Passen-  
gers wishing to telegraph their safe arrival in Europe from  
this, can do so on payment at this office of the sum of \$6.  
Arrangements are being made to extend this system to  
other countries.

E. L. B. McMAHON,  
Agent, No. 32.

Yokohama, April 25, 1874.

## THE "HIOGO NEWS"

PUBLISHED AT HIOGO EVERY

WEDNESDAY AND SATURDAY.

SUBSCRIPTION \$24 per Annum, payable half-yearly  
in advance.

Terms for Advertising can be obtained at

"JAPAN MAIL" OFFICE.

Yokohama, February 12, 1874.

## GEORGE FLETCHER &amp; CO.,

BETTS STREET, ST. GEORGE'S EAST, LONDON,

AND

MASSON WORKS, DERBY.

Established over Thirty years as  
MAKERS OF EVERY DESCRIPTION OF MACHINERY FOR  
SUGAR PLANTATIONS AND REFINERIES,  
and well known all over the world.  
Also the ORIGINAL PATENTEES of the MULTITUBULAR  
BOILERS FOR THE COPPER WALL.

Multitubular and other Steam Boilers.	Cattle Pumps.
Condensing and High Pressure Steam Engines.	Vacuum Pans with all their accessories.
Donkey Engines.	Centrifugal Sugar Machine.
Distillery Engines.	All kinds of Apparatus for burning Animal Charcoal.
Air-pump Engines.	Copper Rum Still for steam or fire.
Wrought Iron Waterwheels.	Light Rails, Axles, and Wheels for Megass.
Horizontal and Vertical Sugar Mills of every description, with suitable gearing.	Dippers and Cranes.
Cane-juice Pumps.	Improved Feed Injectors (Fletcher's).
Tubular and other steam Clarifiers.	Cane Pumps.
Sugar Pans, Coolers, &c.	Draining Machinery, with scoop wheels or centrifugal pumps.
Granulating Pans of every description.	Cast and Wrought Iron Tanks.

Also small Plants (clarifiers and Sugar Boilers extra) to make 2½ tons per day of 12 hours, for £770.

Yokohama, March 21, 1874.

## BETTS'S CAPSULE PATENTS.

To prevent infringements, notice is hereby given, that  
Betts's Name is on every Capsule he makes for the principal  
merchants in England and France,  
thus enabling vendor, purchaser, and consumer, not only to identify  
the genuineness of the Capsule, but likewise the contents of  
the vessel to which it is applied.

The LORD CHANCELLOR, in his judgment, said that the  
capsules are not used merely for the purpose of ornament,  
but that they are serviceable in protecting the wine from  
injury, and insuring its genuineness.

Manufactories:—1, Wharf-road, City-road, London, and  
Bordeaux, France.

Yokohama, 6th July, 1872.

12ins.



## MISCELLANEOUS.

## KEATING'S COUGH LOZENGES.

THIS UNIVERSAL REMEDY now stands the first in public favour and confidence: this result has been acquired by the test of 50 YEARS' EXPERIENCE. These Lozenges may be found on sale in every British Colony, and throughout India and China they have been highly esteemed wherever introduced. For COUGHS, ASTHMA, and all affections of the Throat and Chest, they are the most agreeable and efficacious remedy. They do not contain opium or any other deleterious drug, and may therefore be taken with perfect safety by the most delicate constitution.

Sold in Bottles of various sizes.

## KEATING'S BON BONS OR WORM TABLETS

A PURELY VEGETABLE SWEETMEAT, both in appearance and taste, furnishing a most agreeable method of administering the only certain remedy for **INTESTINAL OR THREAD WORMS**. It is a perfectly safe and mild preparation, and is especially adapted for children. Sold in Tins and Bottles by all Chemists.

**CAUTION.**—The public are requested to observe that all the above preparation bear the Trade Mark as herein shown.

THOMAS KEATING, LONDON, EXPORT CHEMIST AND DRUGGIST. Indents for pure Drugs and Chemicals carefully executed.



Aug. 1. 26ins.

## THE GREATEST WONDER OF MODERN TIMES!

## HOLLOWAY'S PILLS.

THESE famous and unrivalled Pills act most powerfully, yet soothingly on the liver and stomach, giving tone, energy, and vigour to these great main springs of life. Females of all ages will find them in all cases to be depended upon. Persons suffering from weak or debilitated constitutions will discover that by the use of this wonderful medicine there is "Health for all." Blood is the fountain of life, and its purity can be maintained by the use of these Pills.

Sir Samuel Baker, in his work entitled "The Nile Tributaries in Abyssinia," speaks of the Pills in the highest terms.

Mr. J. T. Cooper, in his famous "Travels in China," says that when money could not procure for him his necessary requirements, he could always get his wants supplied in exchange for "Holloway's Pills."

## THE GREAT CURE ALL!

## HOLLOWAY'S OINTMENT.

Is a certain remedy for bad legs, bad breasts, and ulcerations of a kind. It acts miraculously in healing ulcerations, curing skin diseases and in arresting and subduing all inflammations. Rubbed on the neck and chest, it exerts the most beneficial influence over asthma, shortness of breath, sore throats, bronchitis, diphtheria, coughs, and colds. In the cure of gout, rheumatism, glandular swellings, and stiff joints, it has no equal. In disorders of the kidneys the Ointment should be most effectually rubbed over the seat of those organs.

## THE "MOFUSSIL GUARDIAN,"

Of August 31st, 1872, states that a severe case of that dreadful plague "dengue" was cured in a few hours, by well rubbing the body with Holloway's Ointment.

These remedies are only prepared by the Proprietor, THOMAS HOLLOWAY, 583, Oxford Street, London. Beware of counterfeits that may emanate from the United States.

Yokohama, September 27, 1873.

52 ins.

## JAMES WHITFIELD,

CLARINGTON BROOK FORGE AND IRON FOUNDRY,

WIGAN, LANCASHIRE, ENGLAND,

Maker of the celebrated Spades, Shovels, Forks, Miners' Tools, Cart Arms, Bushes; also Small Engines, Mortar Mills, Iron Castings for Collieries, GAS AND IRON WORKS, &c., &c. Dealer in Files, Saws, Steel, Builders' and Mechanics' Tools, Safety Lamps, Hoisting Blocks, Jacks, Anvils, Vices, Bellows, Screws, Bolts, Washers, Rivets, Nails, Safes, Locks, Hinges, and all Ironmongery Goods of best quality as used for home consumption.

Aug. 29, 4ins.

**CAUTION.**—Merchandise Marks Act.—The celebrated YORKSHIRE RELISH.—Messrs. GOODALL, RACKHOUSE & Co., of Leeds, England, the proprietors of the above-named sauce, having successfully prosecuted certain persons before Alderman Sir R. Carden, at the Mansion-house, London, on the 6th June, 1874, for having fraudulently counterfeited their trade mark and label, hereby give notice that they will prosecute all persons pirating their said label and trade mark or infringing their rights in respect to the same.—J. SEYMOUR SALAMAN, Solicitor to the Trade Mark Protection Society, 12, King-street, Cheapside.

Sept. 5, 4ins.

## MISCELLANEOUS.

## FRAUD.

On the 27th June, 1866, MOTEEWALLAH, a Printer, was convicted at the Supreme Court, Calcutta, of counterfeiting the

## LABELS.

Of Messrs. CROSSE & BLACKWELL,

London, and was sentenced by Mr. Justice Phear to

TWO YEARS RIGOROUS IMPRISONMENT;

And on the 30th of the same month, for

SELLING SPURIOUS ARTICLES

bearing Labels in imitation of Messrs. CROSSE & BLACKWELL'S SHAIK BACHOO was sentenced, by the Suburban Magistrate at Sealdah, to

TWO YEARS RIGOROUS IMPRISONMENT.

**CAUTION.**—Any one selling spurious oilmen's stores, under Crosse & Blackwell's name, will be liable to the same punishment, and will be vigorously prosecuted. Purchasers are recommended to examine all goods carefully upon taking delivery of them, and to destroy all bottles and jars when emptied. The GENUINE Manufactures, the oorks of which are all branded with Crosse & Blackwell's name, may be had from EVERY RESPECTABLE DEALER in India.

Yokohama, May 27, 1872.

12ins.

## ENGLISH GOODS,

(Via SUEZ CANAL,)

## AT CHEAPEST RATES.

D. NICHOLSON & CO.

SILK, WOOLLEN, AND

MANCHESTER WAREHOUSEMEN,

India, Colonial, and Foreign Outfitters,

50 TO 52, ST. PAUL'S CHURCHYARD,

(Corner of Cheapside,) London,

ESTABLISHED 1843,

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